UNIVERSITY OF ALBERTA

EDUCATION POLICY FORMATION IN THE POST-FORDIST ERA AND ITS IMPACT ON THE NATURE OF TEACHERS' WORK

by

Victor Václav Soucek

A Thesis submitted to the Faculty of Graduate Studies and Research in partial fulfillment of the requirements for the degree of Doctor of Philosophy.

SOCIOLOGY OF EDUCATION

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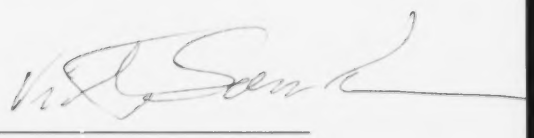

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Control in schools is a necessary condition for the achievement of any purpose through education, but the attainment of that control is shaped not by the conscious reflection of any of those purposes but by the strategic and tactical responses of those employed in schools to the organizational problems confronting them (Dale, 1989: 58).

The 'hidden pedagogy', in sum, is a set of aims and methods of teaching, which is tacitly understood by teachers, which stems from practical imperatives created by the organization of the classroom and which is basic to competence as a teacher.... In a manner of speaking, then, classroom experience has a hegemonic influence by controlling the range of alternatives that can be considered as real possibilities and, more to the point, by excluding others (Denscombe, 1982: 269).

University of Alberta

Faculty of Graduate Studies and Research

The undersigned certify that they have read, and recommend to the Faculty of Graduate Studies and Research for acceptance, a thesis entitled EDUCATION POLICY FORMATION IN THE POST-FORDIST ERA AND ITS IMPACT ON THE NATURE OF TEACHERS' WORK submitted by VICTOR VACLAV SOUCEK in partial fulfillment of the requirements for the degree of Doctor of Philosophy in *Sociology of Education*.

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To Bianca and Nick, who had to endure
my often deeply frustrating moments of
uncertainty, yet who at the same time
helped me see through their eyes the bright
light at the end of the tunnel.

Abstract.

This thesis contends that the current restructuring of educational systems in the English speaking, industrially developed countries effects a more thorough structural and functional integration of schools into the global economy, but, at the same time, it also abates the space in which any critical counteractive response to such changes might emerge. This applies to educational as well as social structures in general. This thesis will argue that in the area of education it is precisely in this conjunctional space occupied by teachers' authentic, culturally-based identities, that the crucial balance between the system's needs and cultural needs can be struck. As the crucial link between the *conception of educational outcomes* and the *actual school outcomes*, teachers, as executors of that design, have consequently attracted a keen interest of the neo-liberal "reformers". This thesis aims to examine just to what extent the neo-liberal initiative has succeeded in reducing schools' as well as individual teachers' autonomy, and thereby inhibited genuine cultural interests from filtering back into the now increasingly globalized system of educational *delivery*. It will be further argued that such neoliberal-inspired *systemic colonization* of the cultural world is likely to result in a loss of social cohesion and stability, precisely because social cohesion and stability derive from cultural rather than systemic identities.

Preface

When in 1991, following an introduction of a rapid series of changes in the state schools in Western Australia, I became involved in the research in one of the Ministry's flagship schools, I couldn't help noticing that most teachers in that school were not in a position to grasp the fundamental causes that underpinned the structural changes and their implications for the work they were doing. Perhaps not surprisingly, most of them were still operating in the Keynesian paradigm of benevolent and paternalistic bureaucracy whose purpose was to keep improving the provision of education in small manageable increments. Teachers saw themselves as playing a vital role in this process. That the Ministry could turn around and become "nasty" came to them as a complete surprise. Many saw these changes as consequential to a personal project of the then Director of the Schools Sector, Dr. Max Angus. Many teachers saw Dr. Angus as out of touch with schools' needs and as simply seeking "personal aggrandizement". Furthermore, this period was marked by a growing hostility between the President of the Western Australian Teachers' Union, Jeff Bateman, and the Minister of Education, Mr. Pearce. The structural and curricular changes thus tended to be perceived by teachers as a uniquely Western Australian phenomenon, causally unrelated to what was happening beyond the state border.

Clearly, some years later teachers' understanding of the pressures put on schools and teachers in particular has become somewhat more sophisticated. It is refreshing to find the President of the Alberta Teachers' Association, Bauni Mackay, making the following observations, subsequent to her taking part in the International Teachers' Conference in Harare, Zimbabwe: "The same kind of concerns that we have in Canada are sort of repeated all over the world" (Brown, 1995). What Ms Mackay is saying is that the restructuring of Alberta Education bears a clear hallmark of a global change--that is, not unique to Western Australia or Alberta, but characteristic of the whole global educational community. It might thus be useful to ask about the reasons for these changes and, not less importantly, how it has been possible that ostensibly national or provincial authorities might have accepted or succumbed to global pressures and directives that resulted in these "similarities". The aim of this thesis is to help teachers understand these changes. Such understanding then could inform their action in so far as they might be willing to bring the classroom concerns into the arena of educational policy formation in a more informed manner. In the words of ATA executive, Larry Booi: "We have to be more in touch with teachers... across the world. And I support the attempts to work out common solutions to common problems" (Ibid.).

University of Alberta

VICTOR SOUCEK

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I also wish to thank Professor Ray Morrow for helping me develop a sense of understanding of important areas of sociological thought. It was chiefly his effort that helped me bring theoretical unity and analytical consistency into my thinking when dealing with sociological theories ranging from neo-marxism to post-structuralism. To Professor Gordon Laxer I am indebted for making me pay due attention to empirical data, as well as for his critical insights into the political economy of the Canadian society. Acknowledgments are also due to Professors Gerald Taylor and Eamonn Callan, who as members of my Examination Committee provided invaluable help especially in the last stages of my Thesis.

There are many more colleagues and fellow students who have helped me shape my thoughts, and among them especially Jerrold Kachur, Daniel Schugurensky, and Derek Briton, who all took part in our collective struggle to make sense out of the mystifying and often elusive concept of *globalization*. I express my gratitude to them all.

Finally, I would also like to thank the external examiner, Professor Michael W. Apple, for his support expressed in his comments on my work.

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1
INTRODUCTION: OUTLINING THE PROBLEMATIC

1.1. Aim of Research

Public schooling provision in most western countries has been radically transformed over the last decade. This transformation corresponds to a similar transformation in the industrial workplace, and to a more general re-working of the social relations of production at the global level of the economic system. Assuming we can agree that these changes are symptomatic of a new (i.e., post-Fordist[1]) social and economic settlement, our chief interest in this thesis will be to *develop a plausible and relevant critique of the post-Fordist educational policy.*

In this effort, our primary focus will be on the changes in the labour process of teaching. Within the context of this focus, we will introduce the political-economic dimension which appears to have informed these changes. To help us theorize the link between the changes in public schooling and the altered conditions for capital accumulation, we will also examine *the role of the state* and how it itself might have undergone certain transformations.

Within the context of a globalized education, attention will also be given to the teachers' ability, as intellectual workers, to promote in their students social and moral development and the capacity for autonomous critical and creative thinking. That such educational concerns, along with the basic cognitive skills, are crucial for social cohesion of our commercial societies has been noted, amongst others, by Adam Smith (1966). Indeed, the neo-liberal revision of Smith's modernist project of commercial humanism might be indicative of the crucial flaws in the neo-liberal proposal for educational restructuring.

Within the context of the labour process of teaching, our research will aim to clarify and re-assess our *understanding of worker autonomy, professionalism and the role of intellectual workers such as teachers.* Our aim here will be to examine to what extent these phenomena, which are much less visible than the salient command structures within the schooling system as well as the curriculum itself, might effectively influence what teachers do. This *hidden pedagogy* along with the *hidden curriculum* might, perhaps, constitute a more subtle way of shaping and imparting the attitudinal attributes required of a post-Fordist worker.

Our key focus will be on the tension between teachers' working conditions and the shift from the Fordist regime of production to the post-Fordist one. To this purpose, we

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[1]This proposal is using the term "post-Fordism" in the sense of "after Fordism". We are not suggesting at this stage that a specific regime of accumulation (i.e., post-Fordism) is already in place. However, we agree with Harvey (1989), Rustin (1989), and Jessop (1989) that a new accumulation regime, based on flexible accumulation, and dual or otherwise segmented markets (production, circulation, and labour) is in the making. Even at its inchoate stage, this regime is already radically different from Fordism.

will also draw on research literature in the area of political economy, industrial labour process, and theories of the state. The latter will, nevertheless, remain but a secondary concern of our thesis.

Finally, to maintain theoretical integrity and to avoid the danger of cultural discontinuity between national areas considered in our research, and yet to retain the global dimension, the research will focus on the English speaking, industrially developed countries. These will include the following: The USA, the UK, Canada, Australia, and New Zealand. This research project will be a synthesis of the current cutting-edge research in educational restructuring, teachers' work, and political sociology in the areas relevant to the changes in educational policy. Such a synthesis should enhance our understanding of the dynamic of this change, as well as indicate possible social, albeit perhaps unintended, consequences of the current neo-liberal revisionism in the area of educational provision in our globalized communities.

1.2. Original Contribution

We see our contribution as having a number of dimensions. Our first and overriding concern will be to provide a coherent interpretation of the changes in educational policy during the period of transition from the mode of regulation defined as a Keynesian Welfare State (KWS) to the mode of regulation defined as a Workfare State (WS) (cf., Jessop, 1993). The former corresponds to a Fordist regime of accumulation, the latter to a post-Fordist one.

Secondly, the thesis will offer an analysis of the impact of restructuring on teachers' work . The thesis will provide a historically-specific theoretical analysis of the key concepts embraced by the current restructuring. These will include: teacher autonomy, professionalism, and the role of teachers as intellectual vanguard.

Thirdly, as a discourse analysis, the thesis will seek to illuminate the possible flaws in the presently dominant neo-liberal paradigm of educational policy formation. It will seek to establish a link between the process of policy formation and possibly unintended negative consequences of policies produced by what could be seen as a flawed process of policy-formation. In this sense, this research should offer a practical and critical contribution to the problematic of the production rules of educational policy formation.

Furthermore, by situating the process of policy determination in the area of global political economy, to the extent that such positioning is appropriate, and by interpreting the processes implicated in the education policy formation in terms of a broader and socially relevant theoretical understanding, we will hope to gain insights into the specific problematic areas of educational provision which at present appear limited by its exclusively economistic concerns. Such insights should be useful in terms of informing the future directions of public education policy contestation by the human-friendly interests within the civil society.

Finally, by *pulling together* the insights from the areas of educational policy determination, organizational structure, working conditions in schools, and intended and unintended educational outcomes, we would hope to offer an insightful yet realistic alternative to the neo-liberal strategy currently in vogue.

1.3. Key Research Questions

(i) Can we provide a relevant and constructive critique of the post-Fordist educational policy?

(ii) What heuristic tools might be useful for such an analysis?

(iii) How wide-reaching does such an analysis need to be in order to provide a complete picture or explanation of the shifts in the provision of education?

1.4. Economic Analysis.

Our purpose in this section is to sketch out the shifts in accumulation strategies in the countries under our consideration during the post-WW2 period. The analysis will focus on the key factors of changes in the labour process (following the mid-1970s prolonged economic crisis, with its concomitant increase in competitive pressures and the introduction of new technologies), the ascendance of the neo-liberal ideology, and the tendency of national economies to become subordinated to the global markets through the advent of liberalization of finance and trade. This *mapping out* of the changes in economic and political relations should help us make connections between the political-economic dimension of national settlements played out at the international and/or global level[2] and the actual struggles between labour and capital at the national level.

One of our concerns here will be to examine the claim that the so-called *common-sense revolution* pursued by the neo-liberal governments in the UK, the USA, and Canada, but also by the neo-liberally minded Labor governments in Australia and New Zealand carries within itself certain inescapable contradictions. Such contradictions are likely to have a potentially devastating impact on the welfare of the general population in these countries. Specific contradictions will be discussed.

Furthermore, to the extent that the neo-liberal ideology and its policies penetrate the educational systems of the nation states, the above mentioned economic contradictions are likely to be replicated in these educational systems. Specifically, this might result in a tendency to *economize* educational systems. The concrete impact on schools, their organizational structure and economized educational outcomes will be discussed.

Also in this respect, we will examine Dale's (1989) claim that capitalist schools affect social reproduction by excluding anti-capitalist interests, attitudes, and practices, rather than by including pro-capitalist interests, attitudes, and practices. Dale's point is an important one, especially in the face of the critique of the post-Fordist approach to educational policy analysis (e.g., Livingstone, 1995). Firstly, according to these critics, post-Fordist analyses tend to be guilty of the same error committed earlier by Bowles and Gintis (1976)--they assume, quite unproblematically, the existence of a functional correspondence between education and economy. Little attention is paid to social agents actually involved in the process of educational change. Furthermore, they tend to emphasize discontinuities and ignore fundamental continuities in the emergent regime of production. These points are well taken. Yet there is evidence which suggests that, in spite of institutionally layered refraction (Dale 1989) and human agency contestation, the functional correspondence of the liberal-democratic era (which, according to Dale [1989:47] was ruled by the principle of exclusion) is now being complemented by the principle of *inclusion*--that is, only the skills directly relevant to capital accumulation will be provided through state-sponsored institutions. Furthermore, where possible, these should become *structurally integrated* into

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[2]The distinction between "international" and "global" is to emphasize a shift from an economic system based more on the international arrangements between individual nation-states, albeit under the hegemony of the United States of America during the Fordist regime of accumulation, and towards an economic system based on global networks of (i) multinational or transnational corporations (in-trading), or (ii) complex interlocking of the multinational corporations among themselves and with numerous smaller subcontracting firms (see Reich, 1991). The point is that the latter no longer needs the nation state or its government to mediate the contractual arrangements between the globally spread accumulating units. This is not to argue that the state as such (as opposed to a nation-state) has become redundant. At present, the state is still required to provide, for example, the legal framework for property ownership. It also guarantees the maintenance of the social relations of production, as well as the reproduction of labour.

the circuit of capital, making them self-managed accumulating units. Clearly, the argument here is not about the evidence (that is clear for everyone to see) but about the causal explanation of the structural and functional correspondence. This Thesis will seek to establish such causal relationships.

1.5. Post-Fordist Workers and Post-Fordist Teachers: Structural Correspondence and Structural Isomorphism.

Putting, for the time being, the problematic issue of continuities and discontinuities between Fordism and post-Fordism to the side, the penetration of Fordism into the European relations of production in the 1950s had produced new differentiation within the European working class (der Pijl, 1984). At the same time, the spread of Fordism was, by no means, a predetermined or all-pervasive process even in the country of its origin, the USA. Certainly the more peripheral countries such as Australia or New Zealand remained throughout this period highly dependent on primary commodities production rather than on mass-manufactured goods. Even the UK, the cradle of western manufacture, was far from becoming an epitome of Fordism. Jessop (1989), for example, describes the UK industrial sector as flawed Fordism. Nevertheless, where Fordism was established, the production process became characterized by a high organic composition of capital, with strong occupational segmentation. This process resulted in an unusually large category of middle-level technicians. In the USA the emphasis was on professional engineers and skilled craftsmen. Capital, of course, reacted to these developments by introducing management techniques suitable for the management of better educated and trained *new workers*. But the complexity of production processes required a degree of apparently autonomous socialization of production. However, as Palloix (1976) argues, some aspects of workshop autonomy tended to subordinate workers to capital. For the working class, the post-war economic boom was characterized by a tension between increased industrial skills and a concurrent pressure on educational systems to produce better educated workers, with a corresponding enlargement of worker autonomy, on the one hand, and the increasing need for capital to control the new workers, on the other. This tension was resolved through a class compromise which basically co-opted the trade union movement to the project of mass manufacture. But such class compromise could be sustained only in so far as the objective conditions for capital accumulation, as characterized by a massive economic expansion and receptive markets, prevailed. In the mid-1970s these conditions no longer existed.

Economic expansion during the boom years clearly called for a historically specific role of education, and it was not only the industrial workplace but also the rapidly growing administrative system which required better educated and more expert workers. However, the Keynesian class compromise bore within itself a promise of liberal-democratic governance and incremental economic emancipation. Under the auspices of Keynesianism, the schools were expected to socialize students into a liberal-democratic frame of thinking, and this in a direct contradiction to the prevalent undemocratic and hierarchical relations in the workplace.

At the same time, the tension in the labour market was being replicated in the schools. There were many ways in which schools unwittingly circumvented and neutralized the democratizing *danger* many progressive educationalists hopefully ascribed to Keynesian educational policies (see, for example, Karmel Report, 1973). Correspondence theory, and the theories of social and cultural reproduction have directed our attention to the phenomena of *hidden curriculum*, *hidden pedagogy*, *cultural capital*, *socio-linguistics*, and so on. With a theoretical and historical hindsight we can now see some fundamental shortcomings of these theories (Giroux, 1981). True, they were descriptive, not explanatory, and they conceptualized the process of social and cultural reproduction as

something being done to agents rather than allowing human agency to play at least some part in its own social/cultural reproduction. Yet bringing human agency into the scenario of educational policy-making does not in itself guarantee a victory for emancipatory reason. All it does is open up the emancipatory possibilities. At the same time, however, we need to acknowledge the limits of these possibilities (see, for example, Ozga, 1993).[3] Whether we like it or not, the capitalist class is unlikely to relinquish control over the productive resources. Something else needs to happen.

In so far as our schools are concerned, we believe that the same historical conditions that created the need in the Fordist industrial workplace for increased worker autonomy acted also in the Keynesian schools, creating a space for increased teacher autonomy. We would further ague that it is the condition of indetermination (i.e, confluence of knowledge and expertise in designing and executing work tasks such as teaching) which presents opportunities for challenging the existing social relations of production. Dale (1989) describes these conditions in relation to the teaching profession in the UK as licensed autonomy. According to Dale, under the Plowden educational settlement, teachers were given what amounted to a negative programme--teach anything you want as long as it does not contradict the existing social relations of production. As an example of a breach of such licensed autonomy, Dale offers the case of the William Tyndale scandal. In the mid-1970s, teachers at Tyndale Junior High School apparently breached the limits of the licence and had to be punished. Here is how Dale describes it:

> The Tyndale case...showed that teachers could run the schools in ways that clearly contradicted many of the shared assumptions on which the education system rested. Teachers could be in a day-to-day effective control of the schools, and they could use that control in ways not welcome to the school managers or the funding authority (Dale, 1989: 126).

The Tyndale case shows that there are presumed limits to how far unorthodox pedagogical or administrative practices might be allowed to go. The question, however, remains: How is this conflict between teachers' pedagogical assumptions, on the one hand, and the funding authorities' assumptions about schools and education, on the other, linked and mediated in the schools? And, of course, how are these respective assumptions generated? An historical analysis (see Dale, 1989; Lawn and Ozga, 1986; Lawn, 1987; Lawn, 1991) shows that modes of regulation of teaching tend to correlate with the historically unique economic and political climates. That is, if the economy is doing all right, teachers are allowed more independence; if, on the other hand, there is a conjunctural crisis (i.e., economic, fiscal, or legitimation), then schools might be pulled back in line.

However, the task of untangling the relationship between production regimes and educational structures cannot be answered by referring such structures to some arbitrary manipulation (by the authorities or by capitalists) of the autonomous space in which workers and teachers might be free to conceptualize and execute their tasks. At the same time, students are not industrial outcomes. Apart from seeking credentials which would make them employable, students also struggle to become competent human beings. How could we equate expectations of becoming a human being with a function of being a productive worker? Could we, for example, identify such correspondence between Initial Teachers Training and schooling outcomes, as Dale (1989) and Hargreaves and Reynolds (1989) argue? If that is, indeed, the case, then we would suggest that the primary cause of the changes in teachers' work must be sought in the altered objective conditions of capitalism.

What we are proposing, therefore, is that a descriptive analysis of teachers' working conditions, together with intended and "unintended" outcomes be projected against the

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[3]At a theoretical level, Giddens' (1984) theory of stucturation helps to explain how practical knowlege and structured relations of power might control the range of alternatives that can be considered as real possibilities.

labour market conditions prevalent in the emerging regime of accumulation. The remaining task then is to identify specific agencies responsible for specific policies, on the one hand, and specific procedures employed to ensure the passage of those policy proposals through to the implementation stage. In this respect, what we might also find helpful is the manner in which teachers construct their individual and collective narratives, as they are, in the final analysis, responsible for implementing educational reforms.

What are the implications for teachers? There are two broad ways in which their practice is likely to change. Firstly, they will be increasingly made responsible for delivering educational outcomes that would closely correspond to the labour market requirements. In this sense, their licensed autonomy will become a regulated autonomy (Dale, 1989). Secondly, they will be subject to the same pressures as industrial workers elsewhere--through intensification of work, allocation of multiple tasks, downward reclassification of their jobs, loss of benefits, contracting, casualization, and so on, their conditions and rewards will worsen.

In addition they will be subject to ever-increasing monitoring through tightly designed performance indicators. Furthermore, following the reclassification of educational jobs, the educational labour market will be increasingly more segmented, including (in addition to already existing differentiation) such diverse classifications as Advanced Skills Teachers as the core workforce, involuntary part-timers and casuals, non-teaching supervisors of students, and educational student internees (Ashenden, 1990).

To conclude, we wish to argue that even though the negative consequences for the teaching profession described above have to some extent already emerged in countries such as the UK, Australia, New Zealand, the USA, and parts of Canada, the long-term prospects for teachers to reclaim professional autonomy will depend very much on their ability to form alliances with non-conservative forces in these countries and to marshal their resources and challenge the currently dominant neo-liberal orthodoxy. In the next section we will discuss how educational policy fits into the post-Fordist settlement, who were the major players in the educational debate that led to the post-Fordist educational settlement, and why the neo-liberal voice has succeeded in taking the front seat in the debate.

1.6. Educational Discourse and the Post-Fordist Educational Settlement.

The triadic relationship between the economy, teachers' labour, and student outcomes is crucial to our thesis. Our interest is chiefly in examining the structural changes in schools relevant particularly to the changing expectations of our schools and to the changing nature of teachers' work. Drawing on the vast literature of the Fordism versus post-Fordism debate, we will examine just to what extent the emerging regime of production might affect the relative autonomy of schooling, and this especially through the introduction of specific decisions informed by the commodity form relation. At the same time, we will aim to avoid drawing simplistic and unproblematic, deterministic relationships between these areas, as well as one-dimensional explanations based on the representation of specific business interests. This, of course, is not to divert attention from the fact that the current re-working of the now-defunct Keynesian settlement is an expression of a fundamental class conflict, and that specific capitalist agencies (e.g., the representatives of transnational corporations, the numerous think-tanks associated with the capitalist class' interests, the OECD, IMF, or the World Bank) might be acting in an instrumental way to affect this settlement in order to secure the long-term interests of the capitalist class. The analysis of the struggles involved in the restructuring of the state thus needs to be informed by the dialectic of the class conflict, but also by the struggle for hegemony within the capitalist class itself. It is in this sense that we cannot claim that the economic sphere determines the form and shape of capitalist institutions (or ideological apparatuses) located in the superstructure, precisely because the concrete outcomes of the

struggles between the fractions of capital, and between capital and labour are always produced discursively. What is, however, different at the present historical conjunction is that the capitalist class is forging a uniquely new type of capitalist solidarity or, perhaps, conformity at a global level--i.e., the notion of united capitalism constitutes a global phenomenon, whereas the class conflict played out between global capital and the working class is still *frozen* at the national level. It is then also in the sense of mediation of the tensions between the national level of settlement and the global level of financial capital interests that the *competition state* (Cerny, 1990) finds itself increasingly drawn into the area of supranational co-ordination of the accumulation process. This process of globalization of the nation state might be taking different forms depending on the mode of insertion of each national economy into the world economic system, and depending on its trading alignment. For the OECD countries, the supranational function of the nation state is, for example, carried through the agency of the OECD, whose Secretariat is in constant contact with the individual member-state's key economic ministries.

Indeed, the globalization of productive capital, along with the removal of restrictions on trading and financial flows, has radically re-positioned the nation state vis-a-vis the global capital. If we accept, as a starting point, the claim that the role of the nation state has changed, and that the state has been pressured into becoming a *competition state*, that is, as Offe (1975: 132) similarly argues, the state appears the "only organization in capitalist society that could provide inputs that are required by the capitalist system in order to sustain [global] accumulation and production," then we will have to question also its status of *relative autonomy*, which now appears to be radically weakened as money capital acquires capacity to allocate investments purely on its own terms, and this right across the globe (Burawoy, 1985; Holloway, 1994).

Yet even though the post-Fordist state is decisively smaller in terms of its social expenditure, it would also appear that it is a much stronger state. But what has made the state so *lean* but *strong*? Clearly there has been a shift in the way various social voices might have access to the policy makers. And there has also been a shift in the ideological inclination of the legislators and political parties (see Pusey, 1991, Haeusler and Hirsch, 1989). The economic crisis in the late 1970s supplied tangible economic determinants of educational possibilities. Yet, these possibilities were manifold. The seasoned panacea of effectiveness and efficiency could have taken a different turn. Schools could have tried to improve their productivity without jettisoning their traditional humanist concerns, for example. It also seems plain silly to claim that an economic crisis might be resolved by making more people unemployed, by withdrawing cash transfers to the needy, and by redistribution of wealth to the rich while enlarging the pool of working poor and desperately poor. Yet these "crackpot" policies (see Camp, 1995) which would have been unthinkable 20 years ago won the day in the 1980s and '90s.

Who then were the social forces and interest groups which took part in the educational policy debate in the 1980s? Broadly speaking we can divide them into three groups: conservative reformers, status quo groups, and critical progressives.

The first group comprised a mixture of programs which largely drew on the tradition of conservatism. It included the *New Right,* with its emphasis on cultural restoration, family, and the traditional conservative values appropriated from Adam Smith and other conservative writers. This is not to argue that all conservatives supported the economic and educational reforms promoted by this group. Some conservative intellectuals (e.g., Carroll and Manne,1992) spoke openly against them. Belonging in this group were also the *industrial trainers,* whose central concern was to make education more responsive to economic needs. Dominating this group were corporate representatives and Business Councils. In some countries, such as Australia, this group also included the co-opted leadership of the trade union movement. The key nodal point in this group, however, was made up of staunch neo-liberal ideologues and capitalists. Notable among them were the key economic agencies of the OECD, the International Monetary Fund, the World Bank,

the Trilateral Commission, Bilderberg Conferences, and the annual world summits which in the late 1970s became the Group of Seven (G7) Meetings.

The status quo included liberal educationalists, leaders of the school improvement movement and also child-centered progressives. The unifying factor for this group was the belief that educational goals cannot be reduced to purely economic issues--education was to follow its own trajectory oriented towards a progressive integration of ever larger proportion of children into liberal-democratic knowledge and understanding. Any educational reform needed to be grounded in educational research and implemented incrementally.

Finally, the critical progressive group included critical pedagogues, radical pedagogues, and cultural critics, all drawing with a varied emphasis on critical theory developed by the Frankfurt School, structural Marxism, and the work of Antonio Gramsci. Included in this group should also be various feminist concerns. The unifying factor for this group was that they all sought to implement educational changes which would promote a basic reconstruction of society.

The contestation of educational policy in the 1980s did not particularly take the form of a rational discourse, and certainly not all voices have been granted an equal status in that debate. The neo-liberal (or conservative) side was well prepared--through monopoly media they manipulated public opinion and used that to counter any rational objection to their program. They also knew, more or less, the exact purpose of where the debate was to go, if not the specifics or exact details of their proposed policies, the many contradictions between the claims made by their various fractions notwithstanding. Both the liberal (or status quo) educators and the progressives, given the massive economic problems on hand, offered no more than a vague rejection of the neo-liberal fiscal austerity program. Thus, ironically, the progressives found themselves defending the Keynesian structures which only a decade earlier they attacked on the basis of being the very foundation of economic inequity and social injustice.

Besides, in so far as a new accumulation strategy was being forged by the major hegemonic interests, educational concerns took a back seat in the global scheme of things. It would, in fact, not be an exaggeration to argue that the chief reason for the neo-liberal interest in education, apart from making it more cost-effective, was the desire to put in place a system which would socialize an increasing number of young people into failure--to prove to them, through institutional selection, that the dead-end jobs in the service industry were all they were good for. The prevention of social unrest thus figured in the forefront of the neo-liberal educational concerns (cf. Ranson, 1984, Chitty, 1992, Wadley, 1990).

The formation of a new educational consensus took place against an overtly economistic agenda. The factors that helped to set this agenda were: (i) The for-all-to-see evidence of economic decline. (ii) Promotion of neo-classical economists into senior positions in the central governmental agencies. These people already held firm views on how the society should be governed. (iii) Media campaigns promoting the neo-liberal program, and blaming trade unions, schools, and the permissiveness of the past years for everything. (iv) Incessant bombardment of radio listeners and TV viewers with information of economic performance of the nation--improving economic performance became a panacea for all ills. (v) Political parties in government tried all sorts of programs and strategies to reverse the economic downturn and tackle the ever-growing fiscal crisis of the state, all in vain. The neo-liberal agenda offered a "solution", and whether in power or out, political parties began to outbid each other in promising recovery through tightening the state's belt.

Under these conditions, the role the state was to play in mediating often contradictory claims made about the appropriate role for education was crucial. For this reason neoliberals had to win the state in order to get their agenda onto the discussion table and to make sure it stayed there unchallenged. For this purpose, tax cuts and tax breaks to corporate sector were used to expedite the full coming of the fiscal crisis of the state,

already on the way as a consequence of the economic crisis of the system itself. The sense of crisis helped redeem the reputation of treasury bureaucrats tarnished by their association with economic policies largely responsible for the collapse of global economy in the late 1920s, and whose influence on economic policy subsequently remained partially muted under Keynesianism. As the economic and fiscal crises, accompanied promptly by the crisis of the legitimacy of the Keynesian economic policies, lingered, economic liberals regained their monopoly over the formation of economic policies. Their monopoly over the process of public policy formation in general was further enhanced by the promotion of the treasury personnel into senior positions in other government departments, a strategy ostensibly made legitimate by the introduction of corporate management principles and guidelines into the policy-making environment. Once in place, the framework of corporate managerialism served to legitimate the changes at the senior levels of bureaucracy from the personnel concerned with the specifics of departmental activities to the personnel concerned with fiscal management (Considine, 1988, Pusey, 1991). At the same time the door was opened to bring directly into the policy-formation process the representatives of private capitalist interests.

As argued above, the mainstream legislators, regardless of their political color, and senior bureaucrats and administrators were for their part already won over to the neo-liberal side. Yet even here there was a general division between economic portfolios, on the one hand, and social, cultural and educational portfolios on the other. Within central agencies, the key departments of finance, treasury, trade, along with the prime-minister's department held the purse. These were the departments that basically set the agenda for the restructuring of education in Australia, the UK, and New Zealand. At the level of government departments and at the institutional level alliances were forged mainly on the basis of vocational versus general education lines (Marshall, 1988, Ranson, 1984). However, what seemed to determine the outcomes of the educational debate among those departments was institutional proximity of each, through the key government departments of trade and finance, to the global corporate capital.

In this sense, the post-Fordist educational settlement has been forged largely on terms set by powerful global business interests, even though the exact form it took in the individual countries might have been influenced by a political, administrative, and economic environments specific to each country (Hall, 1989). Bearing this in mind, our interest will now turn to the question of how big business interests might have manifested themselves in the way teachers' work has been restructured.

1.7. Neo-Liberalism and Teacher-Labour Related Policies in the UK., Canada, the U.S.A., Australia, and New Zealand.

Restructuring the organization

The restructuring of education in the UK, the USA, Australia, Canada, and New Zealand then has not come solely as a consequence of these countries' sudden realization that their educational systems needed updating. Rather the impetus for post-Fordist educational reform has come largely from the agencies representing the interests of large transnational corporations. It is thus hardly surprising to uncover distinct similarities in the way these individual countries dealt with organizational restructuring, rewriting curriculum, and reorganizing teachers' work in order to ensure that specific educational outcomes have been achieved. The cause for this similarity can be found in the economic sphere: firstly, *governments are responding to the same or very similar economic problems*[4], and,

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[4]We need to recognize, nevertheless, that the positioning within the global economy and the political clout wielded by such diverse economies as the USA and New Zealand would not be commensurable.

secondly, their *political will and economic instruments for dealing with the fiscal crisis and the crisis of accumulation are today narrowly circumscribed by the ideological beliefs of the present legislators and bureaucratic mandarins.*

Looking at the restructuring of schools in the five countries under consideration, we might note four common characteristics which tend to reappear with a varying degree of emphasis and mix. At the same time we should not assume that these common aspects have emerged unproblematically. On the contrary, as evidence particularly from the UK, Australia, and other countries shows, these measures have been contested at every step. However, for reasons discussed earlier, the neo-liberal agenda--the unifying element in the development and implementation of the post-Fordist educational policy--has prevailed. The four characteristics pertaining to the package of educational reforms are: (i) devolution of some responsibilities to the local school level, (ii) downsizing the system by eliminating the middle management, (iii) differentiation among schools through creating an internal or external educational market, and (iv) introduction of corporate managerialism, a national curriculum, and standardized testing as steering mechanisms to ensure that specific educational outcomes were achieved.

Like the restructuring in the economic sphere, the post-Fordist educational project also appears to be aimed at achieving stronger control by the central agency over educational outcomes. The emerging structure is that of a commercial corporation. At the same time, educational outcomes are defined in terms of basic, work-relevant competencies. In addition, corporations and business in general have been given a privileged place in determining educational policies. The tight control over educational outcomes has thus been virtually handed over to the commercial interests.

Changing the nature of teachers' work by altering the hidden conditions of teaching practice.

In this section we are concerned with Denscombe's (1982) claim that what teachers do in their classrooms is largely defined by a *hidden pedagogy*. Within the context of our thesis, and to the extent that our argument can be sustained, the role of hidden pedagogy will be understood as having global implications. Our chief interest in this issue is in examining to what extent the phenomenon of hidden pedagogy could be used by the administrative authorities to achieve general and specific changes in learning outcomes which are not necessarily stipulated in the official policy documents. Examples of such outcomes might include "docility", "punctuality", or "lack of critical disposition".

Hidden pedagogy derives from "'classroom experience' rather than 'social class experience' and emphasizes the classroom context as the salient factor in shaping teachers' attitudes and activity at work" (Denscombe, 1982: 258). Denscombe identifies four sources of hidden pedagogy. First, the teacher's own past experience as a pupil tends to define for him or her the common sense assumptions about teaching. Secondly, students themselves have often rigid expectations about the duty of the teacher to establish and maintain control. These expectations might act as a guide for teachers and mold their attitudes. Thirdly, their colleagues typically act as a reference group confirming the importance of classroom control. In this respect, the need to establish classroom control is perceived by the teacher as an absolute prerequisite for successful teaching. Such classroom experience is likely to foster a set of pragmatic beliefs which, in contrast to formal educational theory, encourage more concrete strategies concerned with behaviour management rather than with the development of a capacity for creativity, reflection, and collaborative learning among teachers. Finally, the workplace sets structural limits on what teachers can do through timetables, resources, or teacher-pupil ratio.

What we are trying to pin-point here is the tension between a principled pedagogic approach and the necessity to appear in control of one's classroom. It might be possible then to argue that to cope with various occupational pressures, teachers might employ a "limited bag of tricks... to accommodate, rather than transcend, constraints on their work" (Hatton, 1988: 340). The choice of tools in teachers' work, Hatton argues, is guided by the

teacher's desire to *appear* a competent practitioner and not necessarily to achieve a pedagogical purpose. The hidden pedagogy then can lead to a type of learning which might be informed not so much by a professional deliberation over the pros and cons of various pedagogical methodologies, but rather by the need to present oneself as a "good teacher".

Our intention, however, is not to critique teachers' claim to professionalism or their teaching practices. Rather our aim is to examine whether it is possible to make a valid connection between the specific changes in the organization of teachers' labour, on the one hand, and the learning outcomes, on the other, even though the latter might be perceived as ostensibly "unintended"! Thus, for example, a devolution of responsibilities for some aspects of school administration, together with the intensification of teachers' labour, introduction of standardized testing, imposition of specific behavioural and attitudinal learning outcomes, "privatizing" the responsibility for making up for the short-falls in funding, and creating an environment in which it is legitimate for private commercial interests to become major partners in education, all are likely to limit learning opportunities to the acquisition of basic skills and "proper" consumer behaviour. Notably absent from this catalogue of desired outcomes are critical thinking skills and the social and moral dimensions of learning.

Such structural change is likely to discourage a development of those skills which allow students to create their own stories and interpretations of their own social reality, simply because all learning time could be consumed by teachers' efforts to establish and maintain classroom discipline (clearly a more difficult task where educational cuts result in larger class sizes), by direct teaching methods (which are antagonistic to fostering creativity and independence of mind), and by systematic and perhaps exclusive testing of students' ability to recall factual knowledge.

Labour process, gender, and the value put on skills.

Michael Apple (1988) argues that there has been a decline in educational positions with high level autonomy. This refers particularly to the decline in autonomy of teachers' work. Because teachers, especially in the primary sector, are mostly women, it would seem that the proletarianization of teachers bears out the claim that women are more apt to be proletarianized than men (Ibid.: 100). This is quite consistent with Braverman's (1974) position. For Braverman, science, technology and the need for management to control labour have gradually taken away any control the worker might have had. We are not necessarily disagreeing with Braverman's thesis. What is, however, missing in Braverman's account is the gender dimension. In fact, Wajcman (1991) and Steinberg (1991) show that the process of de-skilling and upgrading skills shows a remarkable correlation with the gender of the workers possessing those skills.

There are two important factors which seem to determine the "fate" of skills. First, the relative weighting of skills is an outcome of a continuous conflict not only between labour and capital, but also between male and female workers. Furthermore, unlike men, women tend to be in a weak bargaining position vis-a-vis management. Secondly, the importance or value attributed to individual skills tends to be derived from the distinction between men's affinity with technology, on the one hand, and women's affinity with care-giving activities. Because teaching is perceived as a care-giving occupation associated with women's work, it gets positioned by the society as a less important activity than, for example, mechanical engineering, which is dominated by men. If this argument holds, it would clearly have implications for the restructuring and further segmentation of the teachers' labour market.

At the same time we must note that the tendency to upgrade or downgrade skills according to the gender of the majority of the workers who possess those skills could be *historically* specific. In this sense, Fordism and post-Fordism might value and treat skills differently. What we are suggesting is that whereas under Fordism some male-dominated trade unions were powerful enough to protect their skill-base and counteract the pressure towards proletarianization, while female-dominated occupations were not, under the post-

Fordist industrial relations the male-dominated occupations have also been hit by de-skilling, downsizing, and proletarianization. Should it, indeed, be the case, as some analysts argue (Piore and Sabel, 1984; Mathews, 1989), that *it is the market (not the patriarchal corporate leaders or the trade union movement dominated by males) which puts value on specific skills,* then the gender -based argument might not be applicable to the current spates of downsizing, de-skilling and re-skilling of the public-sector workforce, and particularly in the public health sector, as is the case, for example, in Alberta. This clearly is a crucial but also highly problematic question, and evidence in this respect is often contradictory. Yet in Alberta we can see that a male-dominated medical profession has virtually remained unaffected by deep cuts in public spending, while the nurses were forced to take huge redundancies and large cuts in their pay.

Re-molding teachers through Pre-Service and In-Service teacher training.

Situating the changes in the nature of teachers' work in a wider terrain of political sociology and changing labour markets invites attention to a possible connection between the post-Fordist relations of production, the role of teachers in sustaining its functionality, and the corresponding degree to which further stratification and segmentation of the teachers' labour market might fit, both functionally and structurally, into the post-Fordist social relations of production. In this respect, this thesis will pay particular attention to the way teachers' roles and identities, in conjunction with changing modalities of structuration, are being constructed and used to bring the provision of education into a closer functional and structural correspondence with the global economic-administrative system.

According to some sources (e.g., OECD, 1989, Ashenden, 1992, NBEET, 1991, Nikiforuk, 1993), the *new times* require new teachers. This push for changing teachers' functional role within the new global economic order is evident in the way initial teacher training, as well as the in-service provision are being restructured in most English speaking countries. In Australia (see Ebbeck, 1990), the thrust of training policy is to put increasing emphasis upon subject learning and classroom management, while, at the same time, removing trainee teachers from the faculties of education and placing them physically into the schools. This move is known as a school-based training. Similar moves are under way in the U.K. (Grace and Lawn, 1991). In Canada, the recent Report of the Royal Commission on Learning (RRCL, Vol. 1, 1995: 47) in Ontario also emphasizes the practical and relevant skills, and the practicum as the key concern of the future teacher-education programs. However, it stops short of recommending school-based teacher education training.

There is also evidence suggesting that increasingly the in-service teacher training programs tend to be practical, experiential, short, and intensive, with no time for reflection, critical questioning or autonomous judgments (Hargreaves and Reynolds, 1989). The implication here is that much of so-called professional development is taken up by activities designed for advising teachers on how to cope with increasing intensification of work, and with promoting in schools the ethos of collective responsibility for educational outcomes based on minimum standards and achieved with minimum fiscal resources.

Furthermore, the growing emphasis on the practical and the hostility towards the theoretical, which are clearly evident in the New Right teacher-training agenda (Smith, 1992, Whitty, 1994), could have the effect of reducing opportunity for teachers to reflect on the process of change currently underway in educational systems everywhere. In this respect, we would argue, the battle over the role of educational theory in teacher education is of a paramount importance.

The role of educational theory in teacher preparation.

The role of educational theory and teaching practicum in preparing trainee teachers for their future occupation is, at present, a hotly disputed issue. We have argued above that there appears to be a distinct connection between post-Fordism (with its emphasis on a

generically skilled and flexible workforce), the role of public schools in producing such a workforce, and the restructuring of schooling systems and teacher-training programs with the latter having the task of supplying post-Fordist schools with post-Fordist teachers. The teachers themselves are then to oversee the production of the new, highly differentiated and segmented labour force. In other words, the training of the trainers is also perceived as needing a major overhaul.

But this scenario represents an extreme form of instrumental functionalism. It is easy to see that it offers no space for reflection. In fact, the capacity to reflect on teaching practice is perceived by some (O'Hear, 1988) as actually diminishing the effectiveness of teachers. For this reason, the debate over the restructuring and re-siting of teacher training programs is of crucial importance, as its outcome might promote or inhibit further economization of our schools.

We will argue that educational theory has an important role to play in the preparation of future teachers. It has an important role to play not only because it promotes a more sophisticated and, therefore, more effective level of interpretation, analysis, and explanation of teaching practice, but also because it introduces into the teaching-learning interaction the cultural interests of the lifeworld. And the promotion of these interests is vital for any society interested in pursuing the principles of democracy, social justice, and economic well-being for all. In this sense, the New Right attack on educational theory might be interpreted as an attempt to counteract the pursuit of such goals.

1.8. Conceptual Framework

The economy, the state, and education in a global age: its myths and realities.

Globalism, globality, or globalization appear to be perhaps the most overused terms in current sociological discourse. Yet there is a certain conceptual vagueness surrounding this notion. For example, it is not clear how shifting the politics of production from the nation-state to the global level might resolve the fundamental capitalist contradictions of inter-capitalist competition, class antagonism, and revolutionizing forces of production--that is, the very contradictions which brought about the downfall of Fordism a decade or so earlier. If anything, globalization is likely to exacerbate the consequences of these contradictions. This conceptual vagueness is also inscribed in a kind of fatalism which seems to accept globalization and technological innovation as the only and *sufficient* strategies for resolving the conflict between human needs and the limits of capitalism. In this view, globalization is seen as progressive and essentially driven by the cult of efficiency.

But as Callahan's research (1962) shows, the presumed rationalism of the efficiency movement is not a new argument. In the USA, between 1910 and 1929 the same movement succeeded in saturating society with business and industrial values, with tragic consequences for American education and American society. For American education, Callahan argues, the "tragedy was in adopting values and practices indiscriminately and applying them with little or no consideration of educational values or purposes" (ibid.: 244). Today, the cult of efficiency has once again been harnessed by the liberal capitalist interests. But this time, the saturation with the "inferior virtues" of commercial society (see Adam Smith, 1966)[5] has taken on a global dimension. Clearly, the issue of globalization requires a cautious approach, and a certain critical sensibility is needed to discriminate between those aspects of globalization which might open new spaces for tackling the current sorrowful state of affairs in the areas of environmental protection, political and economic refugees, or poverty in the developing countries but even in those presumably already industrially advanced ones. In a word, global networking is needed for establishing global solidarity and cooperation, but it cannot be used to justify and legitimate destruction of that solidarity and cooperation.

This is not to argue that significant level-shifts of previously regional or nation-state bound activities to a global plane in the areas of production, trade, finance, politics, or information have not taken place. A sociological inquiry, or any other inquiry for that matter, should, however, avoid single-cause explanations for the totality of the change our western societies are undergoing at present (MacGrew, 1992a,b). It would be rather foolish to argue, for example, that the changes in the work teachers do have been caused by globalization. The danger of explanatory abuse of global forces lies precisely in the trap of not being able to do anything about it.

At the same time, in global politics, globalization portends a certain relativization of narratives whereby the sense of universal standards of justice, morality, or general concerns for fellow human beings is being lost. This relativization (culturally identified as postmodernism) adds further confusion to the efforts of emancipatory and progressive forces which strive to counteract commercial globalism. With some exceptions (McGrew,

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[5]Adam Smith is not arguing that a commercial society has no potential to develop superior virtues of benevolence and social affections. But his point is that for that purpose a commercial society must establish institutions which would cultivate moral and social values. Our point is that the 1980s neo-liberalism is completely oblivious to the social and moral functions of governments.

1992, Yeatman, 1994, Panitch, 1994), such confusion shows in the emerging tension in the sociological discourse between various claims which locate the potential for an emancipatory social action at different discourse levels, ranging from local and regional to national and global (see Modelski, 1974). In this respect, Anna Yeatmen's (1994) conceptual elaboration of the category of universalistic nationalism promises a fruitful direction in terms of locating policy-formation at multiple levels of discourse. Crucially, she argues that universalistic nationalism recognizes cultural particularity, "but a particularity that provides a vernacular for expressing universals," and in that respect is related to universal standards of justice. This approach clearly aims at appropriating what is progressive in the postmodern discourse in order to counteract the monolithic and exclusive discourse of neo-liberal and post-Fordist brokers, who tend to dismiss all contesting claims as "special-interest groups" (Douglas, 1993).

On the other side of the debate, many advocates of post-Fordism tend to ignore the implications of the tension between the local and the global. In particular, they choose to disregard the savage, mediating power of money, which co-ordinates capitalist interest across the globe with ease and out of reach of nation-state policy-makers. The more optimistic among them (Piore and Sabel, 1984, Hirst and Zeitlin, 1991, Florida, 1991, Kenney and Florida, 1988, Mathews et al, 1988) argue that post-Fordism has the potential for resolving the economic crisis of Fordism along with eliminating the contradictions inherent in the way capitalism has produced and distributed wealth in the past. This is a highly problematic claim on two counts. Firstly, nothing in the behaviour of current capitalists suggests that they have undergone some major change of heart. On the contrary, all evidence so far has shown that post-Fordism has re-distributed wealth upwards (Rifkin, 1995, Reich, 1991, Wolff, 1987).

Secondly, any economic strategy that presumes to rectify theoretically salient contradictions or conflicts of interest must do so not only rhetorically but must demonstrate that it is theoretically capable of resolving those contradictions or conflicts. Regrettably, the theoretical grounding of "democratic" post-Fordism has so far gotten no farther than to claim that the force of increased international competition has pressured individual capitalists into adopting a more benevolent attitude towards the workers, and this because the skills and knowledge of workers now appear to make the difference to individual firms' survival. This is a nonsense claim, for if all firms did just that, any benefit flowing from a "democratized" workplace would be neutralized. At the same time, such theoretical explanation of a paradigm change would merely reposition post-Fordism as a cluster of competitive strategies, not as a new production regime. Its presumed "democratizing" effect would have then to be understood as a tacked-on afterthought rather than its fundamental principle which has succeeded in dissolving the contradictions inherent in capitalist competition, conflict between capital and labour, and in the following pattern of causation: increased productivity leads to unemployment, which results in decreased consumer spending, which heightens competition for the shrinking consumer dollar, which results in more unemployment, and so on (cf. Bowles and Edwardes, 1985, Boyer and Coriat, 1987, Albo, 1994, Gwyn, 1995).

In this sense, post-Fordism stands more for continuity of the unequal relations in production and distribution of wealth than for eradication of the basic contradictions underpinning the former. Yet it would be unwise to dismiss post-Fordism as a phantom or a figment of imagination. Concrete social and production changes have occurred and we have all experienced them to a varying degree (Harvey, 1989, Campbell, 1989, Kern and Schumann, 1984). But it is, we believe, a gross error of judgment to conflate post-Fordist developments with a visionary potential for resolving problems associated with equity and social justice. These problems are grounded in the history of unequal power relations. Post-Fordism has not changed these. Post-Fordism cannot have a liberating potential precisely because it is an expression of the oppressors "with all the power at the command of capital and the state" (Clarke, 1990). The neo-liberal and post-Fordist rhetoric must, therefore, be judged against the consequences of the policies carried out under the aegis of

that rhetoric. Sadly, the evidence available so far shows unmistakable discrepancies between the claim of increased participation and equity, on the one hand, and growing powerlessness and poverty for many, on the other.

Human agency and the structure

This thesis' analysis of the transition from the Keynesian welfare state to the competition state, nevertheless, accepts Giddens' (1984) argument that social structures are both limiting and empowering--that is, *modalities of structuration*, or positioning and knowledgeability of human agents, serve as dynamic transmission-belts for the emergence of a new symbolic order (cf., van der Pijl, 1984; Foucault, 1980). Because such a new order is mediated through human agency, it is never predetermined. However, new solutions (short of some truly revolutionary developments) tend to be conceptualized exclusively in terms functional to the process of capital accumulation. *What then tends to be determined is not so much the specific outcome but rather the ideological space within which a solution might be sought.*

The existing social structures of accumulation do influence social actors, but these structures in turn can be influenced by the same actors. At the national level, in so far as the resolution of class conflict in the post-Fordist era is concerned, what is significant is the historically specific alliance between those domestic agents who are ideologically either overt or benign supporters of liberal capitalism[6], and the emergence of the liberal capitalist hegemony at the global level. This conjunctional phenomenon appears to have shifted the structural underpinnings of the present accumulation strategy even further in favour of the capitalist class. If such institutional re-arrangement might, indeed, be termed a post-Fordist one, then the structural changes would bear witness against the post-Fordist claim of increased "democracy" in the workplace.

The issue of political and workplace democracy is central to our thesis. In this respect we will draw on the research conducted by Leborgne and Lipietz (1992), and we will argue that to resolve the current economic and social crises human agency needs to be empowered through social structures which stretch beyond the Keynesian-Fordist model. The new model will need to take into account the whole society, including trade unions and business. We will argue that the Swedish Kalmarian model comes perhaps closest to this ideal-type settlement. At the same time, however, it will be necessary to incorporate into this model the global dimension. And, as Yeatman (1994) argues, here there are implications for social movements which need to re-map their citizenship claims so that they assume appropriately globalized features. In this respect, there will also be implications for teachers and for the way they will have to reconstruct their collective narratives.

Discourse

Structural adjustment and the margin of tolerance. One way of theorizing the changes in education policy is to view them as discursive outcomes of contestation between various sections of community. However, to be able to assess the relative impact various groups might have on policy outcomes, a careful examination of the shifts in power-relationships between these groups will be required. Clearly, if the transition to a post-Fordist regime of accumulation demands not only changes in the structure and organization of industrial production, but also corresponding changes in the Ideological State Apparatuses (Althusser, 1972), then we might expect some substantial changes to occur in the area of economic and political leadership, and in the way the power-relationships are formed according to the insertion of various sectors of the economy into the circuit of capital. In this sense, we would suggest, the objective conditions of a new regime of accumulation

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[6] See, for example, Pusey, 1991. Pusey documents the process of fostering the liberal-capitalist attitudes within the Commonwealth Public Service in Canberra. By the time the Australian government under Bob Hawke took steps to internationalize the Australian state, the majority of the senior public servants had already been converted to the ideology of a single global, unhindered market.

with their structural arrangements demand and propel new political leadership into power. It is not the leaders and their ideas who bring a new regime into existence. On the contrary, it is these objective conditions which seek their own articulation through new leadership.

What needs to be emphasized is that solutions to any system crisis, such as that of Fordism, might be many. Within capitalist ideologies, neo-liberalism represents only one strand of possibilities. And neither need all potential solutions be grounded in a limiting vision of capital accumulation. The memories of our civilization are rich with alternatives to feudal or capitalist types of despotism, from Hussites and Adamites in the fifteenth century to The Commune of Paris, Jura watchmakers, Kropotkin's cooperatives, or Alexander Dubcek's brave attempt at building a communist regime with a human face in more recent times. Perhaps, these utopian visions arrived before their time. A utopian vision is by definition not readily obtainable. But it might indicate a socially desirable direction in terms of public policy orientation. To establish some measure of desirability in the policy content is especially important at the present conjuncture of apparent ascendance of neo-liberal economics and the exhaustion of modernity. A large, but also exciting task, no doubt. What is of crucial interest to us, however, are the impediments to implementations of utopian visions. These are constituted chiefly by the twin phenomena of structural limits and the margin of tolerance within the collective perception of how far any change might be allowed to go.

The 1980s neo-liberal offensive was purposefully aimed at replacing the Keynesian structures with structures more akin to the regime of pure capital despotism (Burawoy, 1985), yet still within the limits of public tolerance. The staunch conservatism of Albertans could, for example, explain why neo-liberalism in Canada advanced farthest in that province. On the other hand, as Giddens (1984) reminds us, social structures are dual in nature--social structures do not exist outside of human action, yet are implicated in its production and reproduction, while, at the same time, human agents can change social structures. For this reason the neo-liberal strategy aimed also at placing "politically correct" agents as gate-keepers of structural changes, on the one hand, and at altering the collective perception of what was tolerable in terms of socially regressive policies, on the other.

Analytical-Interpretative Approach. This approach will be used to theorize, understand, and unmask the discursive but often manipulative procedures involved in educational policy formation. The "Round table discussions" in Alberta, for example, characterize the strategic manipulative action taken by the Alberta government to help effect structural changes to the provision of education in Alberta. Lisac (1995) documents some of the deliberate maneuvering involved in manufacturing the so-called consensus.

In this effort we will draw on the conceptual framework developed by Habermas in his project of *scientific reconstruction* of language. We see the benefit of such analysis primarily in that it will allow us to make certain value judgments with respect to the conduct of specific human agents. The key analytical concepts will include illocutionary force, propositional content, and foreknowledge.

However, we must be careful to distinguish between the *illocutionary* and *perlocutionary* speech acts. The former implies that the speaker is sincere in inviting the hearer to enter into a speech situation. As far as humanly possible, the meanings and intentions are declared and understood. The latter, on the other hand, implies a certain insincerity on part of the speaker. The speaker might use ambiguity to persuade the hearer to commit him/herself to the speech situation (as in round-table discussion on educational policy, or in inviting progressive educationalists to make submissions towards policy proposals in order to imbue the final document with the aura of consultative decision-making[7]), without, however, declaring that the sole purpose in inviting the hearer to the

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[7]Alberta Premier Ralph Klein acknowledged explicitly that "Health-care round tables" were just window dressing for decisions already made, when he made an unscripted comment on 18 September, 1995. He said

discussion was to elicit his/her public support for an already decided policy, which the hearer will be in no way able to affect or amend.

Illocutionary force may be analyzed with reference to the following:

(i) orientation to achieving understanding or success.
(ii) procedures involved in a selection of participants in the discourse.
(iii) procedures effecting the relative symmetry in the distribution of assertions, disputations, revelations, hiding, prescription and following among the discourse participants.

Propositional content refers to the actual articulation of policy proposals contained in a policy statement. In addition to *appropriateness* noted above, there are three further categories of validity claims that need to be accounted for with respect to the propositional content: truth, comprehensibility, and trustworthiness.

Foreknowledge of the speaker represents the lifeworld's penetration into speech situations in the pre-reflective form of taken-for-granted background assumptions. The aim of our analysis then will be to render explicit in categorical terms the structure and elements of the speaker's foreknowledge; that is not to paraphrase the seemingly ambiguous meaning, but to articulate the rules and structures the mastery of which underlies the speaker's *competence* to generate those meanings (McCarthy, 1978: 277).

Analysis of policy-documents

An important original contribution of this thesis to the current educational debate will be a critical discussion of policy documents produced at the governmental (i.e., the nation-state) and the supranational (e.g., the OECD, the World Bank, International Monetary Fund) levels. However, we will particularly be interested in developing a coherent account of the educational discourse as a social totality. This discourse environment will include social structures and institutions, human agencies, and the voices contesting the presumed hegemonic interests. The policy documents, proposals and counter arguments dealing with the restructuring of teachers' work will be linked to the overall educational debate, and, by extension, to the total social and economic mosaic of change. Methodologically, we will be guided in this effort by the discourse-analytical approach developed by Habermas (1970, 1972, 1979, 1984, 1989, 1990) as adumbrated in the preceding section.

Summary

The aim of this thesis is to provide an alternative and critical interpretation of the current changes in the objective conditions of the labour process of teaching. The thesis looks specifically at the English-speaking, industrially developed countries. These include the USA, the UK, Canada, Australia, and New Zealand. The thesis recognizes that monumental efforts have been invested in redesigning school curriculum. In countries such as the UK and Australia, a National Curriculum has been put in place. Such national curricula tend to overemphasize the relationship between schools and the labour market. In this, national curricula have become overly vocationalized. Furthermore, the individual departments of education have been downsized and restructured to achieve two major objectives: to make education cheaper and to ensure a stronger central control over what students might learn, and, conversely, what they should not learn. At the same time, the form and content of the concept of teacher professionalism have also undergone a substantial overhaul. Indeed, it might be argued that, in the official policy statements at least, the *autonomous rigor* of complex theoretical *understanding* of practical teaching/learning problems and a consequent *application* of appropriate pedagogical

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the government's 1989 Rainbow Report on health care was the "blueprint for everything we have done" in health care (Lisac, 23 Sep., 1995).

strategies have been replaced with a *regulated rigor* of application of instructional form and content determined by commercial rather than pedagogical interests.

These changes are large and complex. This thesis focuses on one aspect of these changes: it aims to understand how the objective conditions of teaching have been reworked in order to ensure that teachers do deliver the type of educational results which the currently ascendant neo-liberal ideologues and the global commercial elites want them to deliver; namely, a small cohort of highly-skilled experts to manage, control, and problem-solve the global economic enterprise, on the one hand, and a large mass of generically-skilled workers able and willing to become "foot soldiers" (Reich, 1991) in the disappearing manufacturing industries, and service workers in the growing service sector, on the other.

This clearly positions a local educational change in a much broader picture. The purpose of this introductory chapter was to introduce analytical themes which will be used in subsequent chapters to help us understand and explain this broader picture--that is, the shifts in the way production of goods and services and distribution of created wealth in the post-Fordist society are organized. Without such understanding it is impossible to fully appreciate and understand the dynamic underpinning the current social changes and the strategies employed to achieve the "preferred" post-Fordist educational "outcomes". Why should, for example, Alberta Education want the bulk of its students to have only a basic, "adequate" education (see ACR, 1991), with emphasis being placed on such educational achievements as "reliability, loyalty, ability to take directions, teamwork, telephone skills" (cf., Reich, 1991), and so on, but with no concerns for self-fulfillment of students or their intellectual autonomy? At this stage we can offer only a hypothetical and indirect answer to this question, provided for this occasion by an official from the Department of Education and Science in the UK:

> ...we are in a period of considerable change. There may be social unrest, but we can cope with Toxteth's. But if we have a highly educated population we may possibly anticipate more serious social conflict. People must be educated once more to know their place (Quoted in Ranson, 1984: 241).

This might suggest a very strict regime of social reproduction. Yet it could be argued that teachers themselves would never agree to be part of an educational system designed to turn schools into "company stores" (Giroux, 1988: 18). In this respect, this thesis will address the following hypothetical question: In what way would objective, structural conditions of teaching and learning need to be changed to overcome teachers' resistance to producing educational results which are contrary to their own pedagogical beliefs but consistent with the new world economic order in general, and the new conditions of the labour market in particular?

Our argument, however, is not based on economic determinism in the sense that we might not be able to perceive alternatives to neo-liberalism. Far from it. The neo-liberal appeal to the presumed economic determinism (e.g., the imperative of national competitiveness, downsizing of the governmental functions, and so on) and to the inevitability of globalization (e.g., the nation-state is powerless and cannot act contrary to global capitalist interests) are no more than masked strategies which purport to rearrange the system of governance in a way consistent with the desires of the global economic elite. Our intention is to highlight the need for a community-based social action which will, at the same time, assume globalized features. Such collective action might, perhaps, be conceptualized as *international Kalmarianism.* What is certain, nevertheless, is that such a globally co-ordinated communitarian action represents today the sole weapon citizens and educators have to counteract the regressive developments in our social and economic policies.

To weave the divergent and seemingly disconnected threads of the current social fabric into a motif meaningful to teachers, parents, policy makers, and the community at

large--to make some sense of the current social and economic changes--is not a small task. Clearly, to give a complete picture would require several research projects. This thesis will, therefore, offer only a partial picture.

Chapter Two will discuss the emergence of the Keynesian economic policies in the UK, the USA, Australia, Canada, and New Zealand. Our aim will be to try to understand the conflicts and struggles involved in forging a comprehensive system of governance such as Keynesianism.

Chapter Three will be concerned with global Fordism. We will be particularly interested to identify the similarities and the differences between various forms of national Fordisms. We will also be interested to see if we can establish any tangible relationship between national Fordisms and national educational systems.

In Chapter Four we will examine the contradictions inherent in Fordism.

Chapter Five will discuss the currently emerging post-Fordist regime of accumulation, which is presumed to be replacing Fordism. Our discussion will focus on new production concepts associated with the Just-in-Time and Total Quality Control production systems, which are reputed to have supplanted the old, inefficient, and inflexible Just-in-Case production system.

Chapter Six will discuss in some detail the limits of post-Fordism in dealing with the same capitalist contradictions which earlier contributed to the crisis of Fordism. It will look at the issue of skills formation and reclassification of skills. It will also discuss the post-Fordist emphasis on worker autonomy, empowerment and participation. It will be argued that in presenting neo-Taylorist flexibility as a model for empowerment of workers is, to say the least, grossly misrepresenting the reality of the industrial workplace. The chapter will conclude by proposing an alternative model for social and economic development.

Chapter Seven will discuss post-Fordist markets. Our interest will be in identifying specific changes in the technical relations of production consequential to the transition towards a post-Fordist regime of accumulation. The key concepts this chapter will be dealing with are the producer and market economies. We will be interested to see how the transition from the former to the latter might affect the lifeworld interests of the workers. Of a particular interest to us will be the effect of these changes on the provision of education. We will argue that the introduction of market relations into education is not quite appropriate as it is likely to minimize if not totally eliminate the vital cultural input provided by individual teachers, and to open the provision of education to abuse by purely commercial interests.

Chapter Eight returns to the issue of the transition from producer to market economy. The first part of the chapter argues that in the current, global context market or consumer economy tends to promote the subsumption of lifeworld interests by global capital. The second part introduces the concepts of material and positional economy, and public and positional goods. Drawing on these concepts, it is argued that neo-liberalism seeks to manage the growing claims on public education by re-defining educational credentials as positional goods. It is further argued that the creation of educational markets has resulted in an even more inequitable provision of education than was the case under the previous Keynesian settlement.

Chapter Nine makes the connection between the post-Fordist industrial process and the type of a post-Fordist worker that might ideally fit into the post-Fordist industrial workplace. At the same time, the chapter identifies a tension between public and private provision of training, and argues that the post-Fordist competition in the private sphere and neo-liberal austerity measures in public spending have resulted in fewer opportunities for badly needed training and retraining of post-Fordist workers. The chapter further offers a detailed profile of an ideal type industrial post-Fordist worker.

Chapter Ten is concerned with the post-Fordist provision of education and training. Here we identify the basic analytical categories helpful for our analysis of the post-Fordist changes in education policy. Looking specifically at the developments in the UK, our analysis aims at identifying those features which tend to promote the post-Fordist

reproduction of social relations of production. One such feature, for example, is the seemingly contradictory combination of centralized state control and the encouragement of market forces. In this context, we look at the issue of parental choice, national curriculum, self-managing schools, and the resulting shift towards the privatization of educational opportunities. Having established the structural and functional correspondence between economy and education, we define the post-Fordist educational settlement as a *flexible educational settlement.*

Chapter Eleven identifies in the post-Fordist provision of education a tension between general and vocational aspects of curriculum. Here we argue that the current educational reform has a tendency to overemphasize work-relevant educational outcomes over educational achievements in the learning areas of social and moral development, and neglecting, at the same time, the important critical thinking skills. The chapter is in the main concerned with conceptual problems inherent in the competency-based curriculum, but also outlines its implications for classroom pedagogy.

Chapter Twelve begins to make the connection between the "preferred" educational outcomes, the post-Fordist labour market, and the heightened need for social control, on the one hand, and the changes in the nature of teachers' work, on the other. We ask questions about the relationship between the changing conditions of teachers' work, which include both the direct control through curriculum and performance indicators as well as the hidden pedagogy. Our assumption is that teachers in general are not necessarily willing to comply with changes in their work practices, especially when such changes might press them to engage in pedagogical practices contradicting their beliefs, understanding, and professional commitment to serving their clients. What is of interest to us then is the mechanism through which teachers might be forced to produce educational achievements deemed desirable by the post-Fordist regime of accumulation, while not necessarily considered appropriate by teachers themselves. Such contradictions might cause problems in terms of teachers' construction of their individual and collective narratives. In this Chapter we also will explore the formative processes involved in the construction of such narratives.

In Chapter Thirteen we argue that there are three major formative periods in teachers' lives: as pupils, as trainee teachers, and as practicing teachers. We are interested to find out to what extent these respective stages might delineate a sense of continuity in the way teachers define and construct their narratives. The relative emphasis on these or lack of might indicate which experiences in teachers' careers might contribute most radically to how teachers construct and understand their own role in the process of social and cultural reproduction through schooling.

Within the context of our Thesis, the last two chapters then establish the final link in the continuum between the crisis of Fordism and the radical reorientation of the post-Fordist educational policy towards a more rigid structural and functional correspondence between schooling and the labour market. Our claim is that the overt and hidden conditions of teachers' work, in conjunction with educational markets, national but differentiated curricula, and the system of standardized testing, ensure a rigid adherence to pedagogies and curricula designed to produce specific, labour-market relevant outcomes, eliminating, at the same time, those learning opportunities which might help students and teachers to construct narratives critical of the emergent pedagogical practices and social relations of production in general. In this sense, we argue, the post-Fordist restructuring of schooling aims at a more direct subsumption of local communities by the international capital.

Finally, the concluding chapter will synthesize the research insights developed throughout the thesis. The current developments in the organization of teachers' work will be evaluated, and an alternative strategy for change will be proposed.

2
FROM KEYNESIAN TO NEO-LIBERAL ECONOMIC ANALYSIS

2.1. Introduction: between the classroom and the global economy.

In the 1980s and eariy 1990s we have seen many radical changes in the reorganization of production and utilization of labor in most industrialized countries. The changes in employment patterns and in the labour process itself were not confined to the private sector alone, but were increasingly replicated in the public sector as well. In the capital accumulation process, some of the more salient shifts occurred in the increasing reorientation of investment funds towards capital and other speculative markets. In the workplace, fewer workers were being hired and wages were cut, but the pace of their work generally intensified. In industrial relations, collective bargaining became more difficult as the trade unions began to lose their members through redundancies, but also through amended legislation which previously might have supported the formation and maintenance of the union participation, but now, increasingly, began to privilege property rights against the rights of organized labour. In the area of the social wage provision, such as education, health, or social security, many governments introduced cuts in their spending. This impacted in a very real sense on the recipients of the social wage and on the affected public sector workers. At the same time, the state itself has begun to undergo a very real transformation. True, in the language of those who stood in the vanguard of these changes, the state was becoming smaller; however, whether it was becoming also less powerful and more responsive to the totality of its constituency is a more problematic issue. How can we explain such radical changes over a relatively short space of time?

Our intention in this chapter is to develop a narrative which might help explain the dynamics of these changes. Such a narrative has for us multiple meanings. At one level, our analysis is a subjective attempt at explaining the changes and relationships as they unraveled in the past decade or two. It is inescapably a subjective view, but a view, nevertheless, grounded in the language structure itself, in the discursive dimension of what constitutes social justice and emancipation, and supported by empirical evidence. And as Habermas (1976: 20-21; quoted in McCarthy, 1984: 356) reminds us, any such interpretation might be successful only to the extent that the social actors under scrutiny could "agree with us on a common understanding of the context" in which they played their part. And it is also through the narrative that individual social actors, such as teachers, construct their own understanding of the society, of how it is changing, and how it affects their work. The explanatory unity we are seeking, therefore, can be captured as an extended moment of understanding and interpreting one's role or place in a larger process of social change.

In so far as the changes relevant to the policy-formation and the changes in the workplace are concerned, we are thus witnessing a multi-layered process of contestation and interpretation. Such contestation and interpretation is carried out at an individual level, but also at the level of schools and other workplaces, regional level, nation-state level, and

finally at the level of supranational or transnational organizations. Our point is that a classroom teacher constructs his/her knowledge of his/her role as a teacher on the basis of the immediate experience, pressures, or encouragements and support in the workplace. These factors do impact in an important manner on how teachers construct their role. But the general discourse through media, policy documents and policy releases, and, in particular, the persuasiveness and penetration of specific ideological positions (such as those of local chambers of commerce, Business Councils, governmental agencies, New Right think-tanks, the OECD, or the Trilateral Commission) as they are played out in the public sphere, do also play an important role in shaping our individual perceptions. To the extent that the dominant images projected through the public media in general have to do with economic issues, then, as Kenway (1994) argues, our minds are being economized, or attuned to the dominant imaginary, so to speak, by default, as alternative viewpoints are either missing or for whatever reasons prevented from entering the public space. Finally, of course, teachers' narratives are constructed through the socializing processes during childhood, schooling years and the period of pre-service training. The total of these experiences might be said to constitute our (teachers') practical knowledge (Elbaz, 1983).

Our practical knowledge might explain why we as individuals, or even as larger communities such as nation-states, perceive and interact with changes in our social, cultural and economic environment. It does not, however, explain why these changes occur in the first place. Why should, for example, the state react to the perceived, and typically artificially induced conditions of a fiscal crisis by cutting back social benefits, public employees' wages, corporate and individual taxes, and simply making significant segment of public employees redundant? Especially as many of these measures have contributed to the fiscal crisis in the first place?

There are two analytically distinct processes involved here. Firstly, there is a *system-determined discursive dimension* dominated by economic issues. In this dimension, reactive strategies designed to address primarily the key economic issues are produced. Within the confines of the imperative of capitalist production, their economic context is objectively given, as it is generally consequential to the implementation of previous strategies. Profitability rates, and the maintenance of the capital accumulation process itself are central issues in this dimension. Drawing on different aspects of regimes of accumulation, various analysts conceptualized different aspects of the generic crisis of capital accumulation. Among others, these might include the theory of the long wave (Mandel, 1980; Altvater, 1982), the secular crisis (Offe, 1985, Hirsch, 1991), or the fiscal crisis (O'Connor, 1973). What is common to these analyses is the understanding that the capitalist system of production and distribution is ridden with contradictions which play themselves out through cyclical economic downturns. The phenomenon of economic crisis thus constitutes the other side of the *practical knowledge* equation. This and other related economic issues will be discussed immediately below. Secondly, there is a *discursive cultural dimension* dominated by actions of human agents. It is chiefly within this dimension that a contestation of strategies and policies occurs. But here our purpose is to emphasize that the currently experienced transition to what some call *flexible accumulation* (Harvey, 1989, Hirst and Zeitlin, 1991), *neo-Fordism* (Paloix, 1976), *bloody Fordism* (Lipietz, 1992), or *post-Fordism* (Kenney and Florida, 1989, Jessop, 1989, Hirsch 1991) is an expression of two fundamental factors--the first is related to the structural limits engendered in the Fordist/Keynesian settlement in the post-WW2 era, the second is related to actions instigated by human agencies.

This relationship between people's actions and the limits imposed on those actions are well expressed by Marx's earlier work, *The Eighteenth Brumaire of Louis Bonaparte*. In this work Marx examines how history forms social consciousness, and how historical forces appear to shape and limit our capacity to seek alternative, creative solutions to our social and economic crises.

> [People]... make their own history, but do not make it just as they please; they do not make it under circumstances directly chosen by themselves, but under circumstances directly encountered, given and transmitted from the past. The tradition of all the dead generations weighs like a nightmare on the brain of the living. And just when they seem engaged in revolutionizing themselves and things, in creating something that has never yet existed, precisely in such period of revolutionary crises, they consciously conjure up the spirits of the past to their service and borrow from them names, battle cries, and costumes in order to present the new scene of world history in this time-honored disguise and this borrowed language (Marx, 1963: 15).

Are we, then, as a global society, going through such a revolutionary transition as Marx is describing? Or is it the case that the agents of *change* seek to "change everything so that nothing changes," as Wallerstein (1988: 81) argues? In Alberta and Ontario, a "revolution"[8] of a sort is taking place. In both provinces the strategies based on extreme austerity measures have been applied to the public sector, including education. The catch-cry underscoring these changes is the call for a *common sense* revolution and social practice. But what does it mean to claim that our schools need more common sense? Does it mean that before Klein and Harris (Premiers of Alberta and Ontario) the *sense* promoted in these provinces' schools was an un-common sense?

There are, of course, theoretical problems with the notion of common sense politics in general, and in relation to schools in particular. We would suggest that, apart from crude reflexes of the nervous system, all human actions are informed by our sense of what our actions amount to (Smith, 1992). We are reflective human beings. And as such we understand the probable consequences of our actions. We would argue that the common sense "philosophy" in our public policy as promoted by those social actors associated with neoliberal world purview tends to abnegate social responsibility for the consequences of their policies. Under their governance, the reflective society has become a reactive[9] society. And, to the extent that we might be able to generalize, we might argue that the English speaking Commonwealth countries, along with the USA, appear to have adopted such a reactive attitude within the framework of public policy formation.

The focal point for such reactive attitude is clearly the performance of the economic system. In the eyes of capitalists, the new bureaucratic and managerial class, the new entrepreneurial symbolic analysts (Reich, 1991), but also in the eyes of general public, who by and large fail to benefit from these changes, the survival of capitalism is of a paramount importance. This is the given, this is the ultimate truth to which all other truth must be subordinated. In a Foucauldian sense (Foucault, 1980), the emerging post-Fordist regime of accumulation and the post-Fordist education are both in their own ways subordinated to the regime of truth as defined by possibilities addressing the key issue--the economic crisis of Fordism.

From where we stand today, as a global society which might indeed be struggling to redefine itself, albeit in a perceptibly flawed fashion, the changes in the provision of our education then need to be directly linked to the issue of economic performance, and the phenomenon of capital accumulation. Not in a deterministic sense, but in a regulatory sense[10]. And this is also why we need to understand that the so called common sense deregulation of the provision of public schooling is far from being a liberating process--i.e., allowing the agents to tap their intellectual and communal resources to pursue the goals

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[8]In our view, and taking into account, for example, Burawoy's (1985) argument that in many ways the current economic and social restructure signifies a return to a more despotic style of capitalism, which, in its historical form, preceded the Keynesian settlement, it might be more appropriate to interpret the Klein/Harris phenomenon as a counter-revolution.

[9]Cf., Pannu et al., 1994. Their analysis describes a change in the ethos of universities. Their point is, nevertheless, relevant to our present discussion, too.

[10]Cf., Cerny's (1991) discussion of the limits of deregulation in the context of financial policy changes.

of excellence in education--but rather signifies an imposition of new regulations deemed to have a potential for resolving the combined social and economic crises which have been troubling the western societies and their economies for at least the last two decades.

To be more specific, some such regulatory features involve privatization of education, presumed devolution of some powers to the school level, restructuring the initial and in-service teacher training[11] programs, increasing dependence on volunteers to raise funds to supplement the recurrent grants shortfalls, contracting out custodial work, introduction of performance indicators for schools and teachers, emphasis on standardized testing, and generally re-working the educational ethos in terms of commercial values. In other words, the educational relationships between funding authorities, schools, and students and parents have been rephrased as market relations (Tooley, 1995). We can then see how prioritizing economic performance might in a very real way impact on what happens in our classrooms. Not in the sense that through some magic wand the teacher is made to perform in certain way, in order to help the reproduction of "preferred" social relations of production, but in the sense that through structurally embedded procedures (e.g., emphasis on standardized testing and instruction in the educational basics, and linking these to the continuity of a teacher's employment), through intensification of teachers' work, and through a massive public media campaign, which helped isolate teachers from the rest of already economically deprived community, teachers are in no position to challenge what Michael Pusey (1991) calls "this unstoppable behemoth of economic rationalism working its way though society, molding it in its image."

The neo-liberal common sense "revolution" in education emphasizes difference, individualism, private choice, self-reliance, and self-interest. In this it draws on traditional conservative philosophers such as David Hume, Edmund Burke, and Adam Smith. Yet both Smith and Burke perceived the limits of fostering purely commercial virtues. Indeed, Smith (1966) considers commercial virtues of prudence, vigilance, circumspection, constancy and firmness to be merely inferior virtues; necessary but not sufficient. And is it not the case that these so-called inferior virtues constitute today the basic and sufficient curriculum in our schools, with neither a space for a critical thought nor for concerns with the issues of equity and social justice?

Smith, indeed, believed that self-love and self-interest might lead to socially positive effects, but he also argued that whether or not they did depended on the institutions such as schools to direct the minds of students. No sense of purely rational economic-educational outcomes in Smith. That is, in the sense of his commercial-humanist project, the *hidden hand* of the market was not sufficient to "advance the public good by increasing the wealth of the nation and [strengthen] its character-building institutions" (Muller, 1993: 164). For him, the *visible hand of the state* must necessarily take some pains to maintain those public institutions which are outside the market and thus not moldable in the sense that markets work (Smith, 1937). Here Smith refers to public schooling for children and youth, but also to adult education. And Burke (1989: 332) is similarly appealing to the role of a visible hand of the state: "Society cannot exist unless a controlling power upon will and appetite be placed somewhere, and the less of it there is within, the more there must be without."

The purpose of this short excursus into the traditional conservatism was to suggest that even by their own traditional conservative criteria the current neoliberal restructuring of our social and economic lives appears to have abdicated the state's traditional responsibility for the social, moral, and economic well-being of a now globally positioned, nation-state citizenry. And it is here, perhaps, in the global dimension of our human enterprise, that the problems associated with the unbridled pursuit of self-interest and self-love, so doggedly pursued by the neoliberal rhetoric of Ronald Reagan, Margaret Thatcher, the conservative leaders in Canada, Roger Douglas (under the auspices of the Business Round Table) in

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[11] In this thesis, "teacher training" and "teacher education" are used interchangably. In this respect we folow the established usage in the UK teacher education discourse, and no despariging connotation is intended to be attached to the former.

New Zealand, and all levels of Liberal Party governments in Australia, with all the unintended outcomes as they play themselves out at the level of a nation-state provision of essential public services, can be located.

What we are suggesting is that the neoliberal restructuring brought about a certain *structural dissonance*, or lack of complementarity between the global level of investment decisions and the nation-state level of public policy determination. By this we mean that the capacity of the state to apply a *visible hand* to censure unrestrained self-interest of commercial enterprises as well as individuals has been, perhaps unwittingly, diminished if not entirely eliminated. This has occurred because the investment decisions, through deregulatory legislation at the nation-state level, have shifted to the global level, without, however, there being a corresponding shift in relocating concurrently the Keynesian power structures through which global workers could add their voice. This is a crucial error, as the capital accumulation process has been divorced from consumer power (see Boyer and Coriat, 1987), a relationship which, ultimately, will need to re-emerge if capital accumulation is to prevail. And, furthermore, as global capital roams the world in search of most profitable opportunities (Holloway, 1994) for investment, the nation states, regardless of the ideological orientation of their current leadership, are left with no structurally embedded tools or power to counteract the tyranny of capital mobility (Burawoy, 1985). The global collective worker has thus been doubly abandoned. Firstly, s/he lost a structurally embedded power exercised through the trade union movement, and, secondly, the state itself has relinquished its capacity to provide for him/her basic social security.

What then is the prognosis for economic recovery and for creating conditions more favorable to a potentially progressive reform in education? Clearly, the influence of global conditions of production and consumption will have a significant impact on the emerging post-Fordist educational settlement. Yet the actual terms of the settlement will be, in the final analysis, worked out at the nation-state, regional, or even the local-school level. What we are suggesting is that discourses, such as one about the provision of education, will need to become coexistent and cooperative. By this we mean that all voices contesting specific issues might be represented at all levels of policy determination; that is, at the local, regional, nation-state, and global levels (cf., Cox, 1991, Panitch, 1994). To the extent that the current globalization thrust, grounded as it is in the logic of pure market relations, might be countered by some version of a global community structure, and by reassertion of structurally embedded communal representation at all other levels, the post-Fordist educational settlement could potentially be influenced by cultural and social traditions of each respective country. And in doing that they will follow the trajectory already suggested in the way they adapted themselves to the previous, Fordist accumulation regime and the Keynesian hegemonic project. In the next section of this chapter we would like to discuss just to what extent have Keynesianism and Fordism succeeded in becoming the dominant pattern of governance and production in the U.K., the U.S.A., Australia, New Zealand, and Canada.

2.2. Keynesian policies and Fordism.

To define the post-war period in the five countries under consideration as either Fordist or Keynesian could, perhaps, be misleading. It could be misleading because such a comparison invariably invites a sense of commonality of experience, yet such a commonality was more or less absent. However, this is not to argue that some common features in terms of economic and social strategies employed by these countries have not emerged.

In this analysis, Fordism and Keynesianism are both considered as two integral aspects of the same social reality. Fordism refers to the economic strategy, or the regime of

accumulation, whereas Keynesianism refers to the mode of regulation, or the hegemonic project of a nation.[12] Given that there has been a diversity among individual countries in so far as their specific economic and social strategies are concerned, and that capitalism has been, at least throughout the twentieth century, a global system (Wallerstein, 1980, Van der Pijl, 1984) and thus potentially exercising a similar influence on our English-speaking industrially developed countries, how can we explain that some economic and social policies became influential whereas some others have not? And could the same criteria that might explain the adoption of economic policies be used to explain the production of social policies? In other words, when considering economic and social policies side by side, could we identify some sense of "economic determinism", whereby social policies might appear subordinate to economic imperatives?

(1) Public policy and Keynesianism

As a preliminary step to this discussion, we would like to introduce three criteria that Hall (1989) employs in his attempt to grasp the reason why some policies might be adopted and others not, and why some countries might adopt them whereas others might not. Hall argues that all public policies, including the economic ones, must be seen as viable with respect to economic, political, and administrative conditions and effects.

Firstly, the *economic viability* of policy proposals or ideas refers to their capacity to address and resolve the dominant economic problems of the day. Clearly, and this will become better understood within the context of the discussion of Fordism below, because of their varied mode of insertion into the global economy , different countries did face different economic problems after the world-war. Those countries which perceived high unemployment as the key economic problem were more likely to accept or experiment with the Keynesian policies than those countries concerned primarily with the issue of inflation, for example. Yet, at the same time, the openness to Keynesianism was also influenced by such factors as the state's traditional relationship with economists, centralization of executive power, and the capacity to mobilize support for new and, perhaps, radical policies. But that already brings us into the area of administrative and political viability.

Secondly, the *administrative viability* of Keynesian ideas can be comprehended from four different perspectives: administrative bias, Treasury's bias, state's capacity or power to exercise macro-economic management, and the role and the purpose of the central bank inthe context of economic-policy making.

Most importantly, Hall (1989: 373) argues,

> Keynesianism was more likely to be accepted if it accorded with the long standing administrative biases of the officials responsible for approving it and seemed feasible in light of the existing implementational capacities of the state.

The point Hall is making here is that the ideological bias of Departmental Heads and their most senior colleagues (cf., Pusey, 1991) tended to function as a *filter* through which the viability of potential solutions to the economic and social problems was being assessed. At the same time, however, these bureaucrats were also concerned with the structural difficulties of implementing Keynesian proposals.

In some countries, the anti-Keynesian bias figured most prominently in the Treasury (cf., Whitwell, 1994). Yet, as Whitwell points out, the conservative bias of the Treasury also tended to entrench the Keynesian components of policy process once they have been embraced. The sense of entrenchment of a particular bias in the key governmental departments in countries such as the U.K. or Australia can be contrasted with the U.S.A. where the pro- or anti-Keynesian bias tended to be more ephemeral, depending on the particular administration being in office at the time.

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[12]We will discuss these concepts in detail in Chapter 4.

Yet another factor which influenced the state's receptiveness to Keynesianism was the "degree to which power over macro-economic management was concentrated" (Hall, 1989: 378). Hall argues that the more concentrated this power was, the more easier it was to implement Keynesian demand management.

Finally, Hall identifies the power of the central bank over economic policy-making as an important determinant of either acceptance or rejection of Keynesianism. That is, where the central bank is/was powerful, such as, for example, in Finland and West Germany during the post-war period, the state and the economy showed a strong resistance to Keynesian policies (Ibid.: 374). The anti-Keynesian bias of central bankers might be explained, Hall argues, because they tend to develop institutional concerns about inflation, the balance of payments, and public debt and deficit spending. In this respect it is worth quoting Shann and Copland (1931: 79-80):

> The word 'principle' is probably a misnomer, as they were more accurately a mixture of prejudice, instinct, self-interest and common sense; ... Undoubtedly the most pervasive of these was an abhorrence of all forms of government regulation, particularly in relation to banking. This was more than narrow self-interest, for the bankers genuinely believed that any government interference with banking in general,... would inevitably violate the dictates of sound finance.

Thirdly, by the *political viability* of Keynesian policies Hall alludes to the fact that such policies need to have a broader political appeal; after all, politicians like to be re-elected. This was doubly important as Keynesianism was a potentially polarizing strategy, and furthermore an untried strategy for that matter. It certainly appealed to the trade union movement who saw in it a guarantee of full employment and raising standards in terms of a general security income, but, by the same token, it was an anathema to most corporate leaders and representatives of the financial industry in particular. In this sense, what was important in considering and implementing Keynesianism was the political climate in each country at the end of the world war. If the promise of full employment was the key to the executive suite, than Keynesianism was worthy of consideration.

The internal structure of a social formation, the inter-linking between and the commonality of an ideological bias among politicians, bureaucrats, and the central bankers, along with the formal structures of command and the potential political appeal thus tended to either help or inhibit the implementation of Keynesian policies.

(2) Keynesianism or welfare statism

What do we mean by Keynesianism? The basics of Keynesian economics are outlined in Keynes' major work, *The General Theory of Employment, Interest and Money*, published in 1936. In countries such as Australia, the U.K., Canada, the U.S.A., and New Zealand, the publishing of *The General Theory* had a profound impact on these governments' economic policies during the world war. The war situation, clearly, was an unusual circumstance. But by the end of the war the question asked was whether it might be possible to continue the same policies in peacetime. This was especially the case in Australia where memories of high pre-war unemployment were still well alive. But how was Keynesianism supposed to keep unemployment low?

Briefly, we might be able to identify three key policy principles, assumptions, or beliefs which underscore the logic of Keynesian economics: effective demand pulls production, volatility of economic systems requires regulation, and monetary and budgetary regulation is best equipped to balance not the budget but the entire economy . Firstly, Keynes argued that production levels are in a general sense determined by *effective demand*, and the best way to maintain effective demand was through full employment. Full employment policy was the key factor in the Keynesian social settlement. At the same time. the demand management strategy was based on the assumption that it was possible to stimulate artificially the demand for goods and services by injecting a sufficient amount of money into the capital circuit of individual nation-state economies. During the war the

tendency was to enlarge public sector employment. For that reason, and because public employment was in its own right a factor in augmenting the aggregate demand for consumption, the tax cuts were not deemed to be an appropriate way of achieving an adequate aggregate demand. This was to be achieved through public works, public employment, and through the institution of the social wage. At the same time, it is important to note that for this strategy to work two basic conditions needed to exist--the nation-state economy needed to be based on a domestic production of goods and supply of services, with profits being re-invested in the same economy, and, two, exports and imports had to be more or less equivalent. If neither of the two conditions prevailed, any attempt at augmenting the effective demand would be a direct drain on the national economy. Furthermore, for Keynesian demand management to be effective, the propensity to consume and the relation between investment and demand had to be carefully balanced: if wages are too high, profits and investment will fall, if they are too low, the aggregate demand will be too weak. In this sense, it requires also a careful balancing of productivity gains achieved through technological innovation. As we will see later, however, under the condition of financial and trade deregulation which swept through the OECD countries in the 1980s, technological innovation along with off-shore investments in both manufacturing and speculative capital and other markets gained a strong enough momentum to simply rule Keynesian demand management out of policy options.

In the second instance, Keynes believed that the unregulated capitalist system had an inherent tendency towards underemployment, and invariably gave rise to a large reserve army of the unemployed. And, unemployment, of course, was counterproductive to maintaining effective demand. In other words, economic systems were inherently *volatile* and prone to cyclical fluctuations (boom and bust cycle). Given such a pronounced element of uncertainty, investors tended to further exacerbate cyclical downturns. Keynes believed that under precisely such conditions the state was obliged to dispel the sense of uncertainty and in fact encourage investment by maintaining an effective demand for goods through wage indexing and the provision of the social wage.

Finally, Keynes believed that *only governments can direct economic systems* with any sense of purpose and complementarity between the supply and demand sides of economy. Yet it needs to be emphasized that the driving force behind Keynesianism was not a concern with social justice and equity per se, but a concern with economic performance. And, furthermore, it was important to Keynes that managerial and proprietary privileges were not encroached upon by the state legislation. Concerns with a planned economy were, therefore, outside the scope of Keynesian thinking. And, for the same reason, Keynes targeted monetary and budgetary macroeconomics policies rather than prices and wages controls, which would have intervened directly in the managerial decisions of individual entrepreneurs. As we will see below, this was one of the key factors which made Keynesianism so attractive in the eyes of some capitalists.

(3) Keynesianism in the U.K., the U.S.A., Australia, New Zealand, and Canada.

Our purpose in this section will be to examine the conditions of acceptability of Keynesian economics in the U.K., the U.S.A., Australia, New Zealand, and Canada. Understanding these conditions is important as the transition from laissez-faire strategy to Keynesianism does represent a radical paradigm shift in public policy formation. Conversely, a failure to execute that transition might reveal a structurally embedded tendency towards instability of the socio-economic formation in the sense that the central agency might lack the capacity or power to effect policies conducive to balancing the overall economy rather than solely balancing the budgets. Such analysis should also help us understand how, later on in the 1980s, specific changes in the economic and political circumstance in each of these countries contributed to yet another paradigm shift in the process of public policy formation: but this time the shift would be away from full employment policies and away from "guaranteed" security income.

What then were the social and economic conditions in these countries at the time of the ascendancy of Keynesianism? Hall (1989) and Whitwell (1994) identify three factors that either facilitated or inhibited the introduction of Keynesianism: permeability of civil service, power over macroeconomics management, and the power of the central bank over economic policy making. At the same time it is worth noting that the implementation of Keynesianism occurred, broadly speaking, in three stages. These were the pre-war years, the Second World War period, and the post-war period.

Pre-war Keynesianism. During the pre-war depression years, Hall (1989) argues, the U.S. government was characterized by a certain fluid or disorderly quality which allowed new and innovative ideas to penetrate into the policy-making process. Keynesianism was one of those innovative ideas. In the U.S., then, the key facilitating factors which eased Keynesianism into public policy arena were the permeability of civil service and the dispersal of authority within the executive branch. Yet, ironically, this lack of centrally located power over economic policy and the lack of stability of personnel within the State Departments radically impeded, along with other factors, the continuity of Keynesianism in the post-war years. This said, it also needs to be noted that the New Deal strategy under Roosevelt was not necessarily conceived as a distinctly Keynesian measure designed to stimulate the demand side of the economy, as these expenditures were segregated into separate emergency budgets.

A similar administrative dispersal of central authority over economic policy existed in Australia during the depression years. In fact there were many competing institutions which aimed to affect economic policy making in one way or the other. These included, apart from the Federal Government, the states, the Commonwealth Bank, the Tariff Board, the Loan Council, and the Commonwealth Arbitration Commission. None of these institutions, not even the Federal Treasury, was strong enough to be able to steer the economic policy towards some type of common economic criteria. At the same time, unlike the U.S. civil service, the Australian Public Service was impermeable to outside influence, and its personnel, like the senior management in private banks and in the quasi "central" Commonwealth Bank, was basically conservative (Pusey, 1991, Whitwell, 1994). Consequently, Keynesianism in Australia had made little headway before the post-war years.

The situation in the U.K. was at once similar and dissimilar to that in Australia. It was dissimilar in the sense that the Treasury did exercise a significant power over economic policy-making in the U.K.. In this sense, whatever theory of economics prevailed in the Treasury, that theory would affect the economic policy. In the 1930s, even though the Treasury view was not quite as monolithic in terms of its economic-policy orientation as some would argue, the restricted scope of recruitment to public agencies and the hierarchical channeling of advice prevented any innovative ideas such as those of Keynes from entering into policy deliberation. Apart from a strong emphasis on fiscal responsibility in budgetary matters, the issue of public works programmes was deemed administratively unworkable. And in this latter sense, the conditions of administrative opposition to Keynesianism were similar to those in Australia.

In many ways, the Canadian position in the pre-war global economy was similar to that of Australia in that both economies were highly dependent on the export of resource staples, and both tended to import consumer goods. But Canada's economic policy was decidedly continentalist, as it remained tied to the U.S. economy (McBride and Shields, 1993, Laxer, 1989). Australia had no such luxury, but its economy remained, nevertheless, closely integrated with the U.K. economy. At the same time both countries' industrial formation was largely fostered through heavy foreign investment, a feature which in the long run proved detrimental to both countries' current accounts in the sense that the repatriation of profits from foreign investment has become the largest contributing factor to the current account deficit in the post-Keynesian era (Wolfe, 1984, Jones, 1992). Yet,

despite these similarities, Keynesianism took a different shape in Canada from that in Australia. The question is why?

In Canada, the first sign that something akin to Keynesianism began to creep into government economic policy showed in the budgets of 1938/9, but, nevertheless, the key thrust of those policies remained firmly conservative. This is interesting as in the U.S., Australia, and the U.K. the massive levels of unemployment during the depression years did produce at times bitter debates about what should be done to prevent the mass unemployment from re-emerging after the war. This was not the case in Canada. Jenson (1989) attributes the relative lack of consideration given to Keynesian economic policies to the lack of working class representation at the level of the political party system. In other words, the two key factors which would make Keynesianism a viable option in the eyes of the policy-makers were missing: a social democratic party which would promote the Keynesian demand-management strategies, and the strong trade union movement which would be able to articulate the interests of the working class against the capitalist interests in the way the Australian, the British, or European workers were able to do. Consequently, in terms of the political discourse, Canada suffered from anti-Keynesian prejudice within the business establishment in a similar way to that of the U.S., but whereas the permeability of the U.S. civil service allowed Democrats to introduce Keynesianism at an early stage, such permeability was lacking in Canada at that time, and, consequently, the real consideration of Keynesian economics had to wait until the political environment forced the hand of the Liberal Prime Minister, Mackenzie King, to integrate Keynesianism into the post-war reconstruction and planning.

The pre-war situation in New Zealand, with respect to conditions underpinning the emergence of Keynesian economics, was also quite unique. Unlike Australia or the U.K., the trade union movement was not at the forefront of pushing for radical changes in social policies. Following a rapid but tentative industrialization after the first Labour Government was elected in 1935, unionization rates remained fairly constant at about 60% of the total workforce (Rudd, 1993). Yet, apart from lending their vocal support to the Labour government, the trade union movement remained content with legislation guaranteeing them compulsory arbitration and bargaining power over contracts. However, their refusal to get involved in the politics of the emerging welfare state will have ultimately serious consequences for the fate of the welfare state itself. In other words, the failure of the trade union movement to engage in the Keynesian politics had left the playing field open to a virtual monopoly of the Treasury, the Reserve, Bank, the politicians, and the state bureaucracy. The consequence of this configuration of power was New Zealand's failure to develop its welfare state beyond the limits of residual welfarism (Rudd, 1993, see also Esping-Andersen, 1990). This said, it also needs to be acknowledged, however, that like in Australia, New Zealand's industrialization proceeded along the protectionist line of development. The maintenance of full employment and farm subsidies, along with the cult of domesticity and ethnic paternalism, all contributed to a seeming compromise between capital and labour. In New Zealand, however, the voice of the trade union movement did not enter into an active partnership which might be expressed in terms of a social-democratic Keynesian settlement.

As in the other English speaking countries, the Great Depression had severely shaken confidence in economic liberalism in New Zealand, too. The specter of massive unemployment hovered over the heads of the first Labour government as it set about repairing the damage perpetrated by unbridled capitalism (cf., van der Pijl, 1984). The New Zealand government and the state bureaucrats (Dalziel, 1993, Rudd, 1993) played the central role in helping to restructure the state in order to deal with new social problems. However, their task was not an easy one, and it is by no means clear what, apart from gaining legitimacy for the capitalist mode of production, propelled the state senior bureaucrats to incorporate Keynesian demand-management principles into its policy-making paradigm. As Rudd (1993) notes, theirs was a typically pragmatic response within

the constraints of administrative rationalism, and certainly these bureaucrats had no desire to entrench social rights into the constitutional context of social policy making.

Within the context of Hall's (1989) three criteria, the New Zealand state's reorientation towards full employment, industrialization, some limited security income legislation, and a commitment to internal price stability against the orthodoxy of exchange rate stability (Dalziel, 1993) were deemed economically viable but also necessary if the mass unemployment associated with economic liberalism was to be avoided. This aspect has also made Keynesianism politically viable. Its political fate was ensured, albeit only temporarily, by the coalition between the professional middle classes who were the chief benefactors of the expanding Keynesian welfare state, the farmers, trade unions, and the women's vote. As already argued, the administrative viability was ensured through the direct involvement of the state bureaucrats in the restructuring of the state.

Furthermore, with respect to the economic policy formation, the first Labour government acted quickly in consolidating its control over economic policy-making by introducing the Reserve Bank Act in 1936, which virtually nationalized the Reserve Bank, and thus gave the government "complete and absolute control" (Dalziel, 1993: 80) over the management of the monetary policy. This would have significant implications for the government's social policy. Section 10 of the amended Reserve Bank Act proposed that: "the economic and social welfare of New Zealand may be promoted and maintained..." The concern with social welfare was thus officially entered as a statutory requirement. The Social Security Act in 1938 introduced state-provided and funded health system, pensions, unemployment benefits, family allowance, and superannuation. However, given that the first Labour government started its reform program from a position where there were virtually no social programs, it faced an enormous task in catching up with the rest of the world. The residual nature of the welfare state in New Zealand remained basically unchanged, with nearly all benefits being means-tested (Rudd, 1993). In fact New Zealand never achieved a universal, rights-based provision of security income.

Finally, it needs to be noted that the role of the Treasury has been of paramount importance throughout the Keynesian period. Yet , like its counterparts in the U.K., Australia, and Canada, the New Zealand Treasury was basically conservative in its preoccupation with stable exchange rates and balanced budgets (Shann and Copland, 1931, Goldfinch and Roper, 1993, Weir, 1989, Whitwell, 1994, Wolfe, 1984). Two questions arise in this context: firstly, how is it that one single agency managed to have a singularly decisive impact on the economic policy formation, and, secondly, how could we reconcile the Treasury's inherent conservatism with Keynesian economics?

Goldfinch and Roper (1993) argue that the Treasury's power derived from three fundamental sets of circumstances: (1) Treasury has the capacity to set the broad philosophical and theoretical framework within which most policy options are formulated. This theoretical framework constitutes what Torres, (1989) describes as the production rules of public policy. (2) As a financial controller, Treasury tends to oversee all governmental activities. And (3) Because of its huge research resources, Treasury has been able to engineer a reputation of intellectual rigor, and its economic advice is thus highly esteemed. Treasury's influence within the bureaucracy is enhanced by its recruitment patterns and career paths. Typically, middle-ranking Treasury officers have been promoted to top positions in other departments. Also the links with the business community are very strong. All of these factors have positioned Treasury very favorably within the Central Agency's hierarchy. Yet, to answer the second question from the previous paragraph, in the pre-war period Treasury's economic conservatism was thrown into disrepute because the very same conservatism was seen as having produced the Great Depression with its massive unemployment. For this reason it was neither economically nor politically feasible for Treasury to pursue the orthodox conservative agenda at that time. The rehabilitation of economic liberalism had to wait till the fourth Labour government came into power in the 1984. But by then the economic circumstance of New Zealand was vastly different from that in the pre-war period. In the pre-war era, Treasury's economic

orthodoxy was still further muted by the Labour government's assumption of control over the Treasury's otherwise natural ally, the Reserve Bank (Goldfinch and Roper, 1993).

War -time Keynesianism. The Second World War had an enormous impact on the way the U.K. government changed its view of Keynesian economics. This was made possible for two reasons. One, the Treasury lost its pre-eminence in terms of determining the economic policy, and, two, the exigencies of war time opened the national bureaucracy to new recruits, and at the same time the established hierarchical command channels were replaced with new linkages. Consequently, new alternative centers of economic advice were put in place, with Keynes himself being made advisor to the Treasury. Through the influence of the economic section gathered around Keynes, Keynesian budgetary principles replaced orthodox economic practices in the 1941 budget. The friction between the Treasury and the economic section, nevertheless, did not disappear until the 1947 budget, when the change in the Treasury's attitude was almost entirely due to the personnel changes.

Keynesian economists in the U.S. faced a different situation from that in the U.K.. As already argued, there was no comparable agency which would exercise a central control over economic policy as was the case in the U.K., where the act of "capture" of the agency ensured power to implement economic policies. Hoping to resolve this impasse, the Keynesians in the U.S. government aimed at pursuing two alternative strategies: consolidation of the National Resources Planning Board (NRPB) and the Full Employment Bill of 1945.

First, NRPB was originally conceived by Roosevelt as a kind of super agency which would be responsible for planning and coordination of policies. Roosevelt's intention was to combine Keynesian principles of budgetary controls and full employment, with planning and social welfare programmes into a comprehensive package that would guide the U.S. economic and social policy in the near future. This strategy stirred up significant opposition from both the Congress and the Senate. But it was particularly the coalition between the business sector and the farmers who in 1943 persuaded the Senate to cut off funds to NRPB. Second, the Full Employment Bill of 1945 sought to vest the responsibility for economic policy making within the Bureau of the Budget. The Bill was primarily aimed at maintaining an effective demand through full employment, but like NRPB earlier strategy was underpinned by a fundamental shift towards a centralization of economic policy determination. Whereas in the U.K. Keynesianism was never associated with planning, and, furthermore, the issue of social welfare was generally perceived as a positive development, in the U.S., Keynesianism was portrayed as primarily associated with planning, and, therefore, was seen as an attempt to dictate to the States and regions policies decided in the White House. Similarly, even though unemployment was an issue in the U.S. as well, the thrust of the employment legislation was frustrated by both the divisions within the Democratic Party, who were unable to decide on the means of achieving full employment, and the weakness of the labour movement, further augmented by the split between the Congress of Industrial Organizations and the American Federation of Labour.

In Australia, the Second World War produced a similar effect on the economic policy formation as in the U.K. Because of war exigencies, major personnel changes occurred in the federal public service. Many of the new recruits were economists, who, furthermore, had close Cambridge connections with the U.K. Keynesians. At the same time, as Pusey (1991) points out, these were new men, with new ideas and personalities, who did not quite fit the stultified mould of the traditionally conservative public servants. Chief among them was "Nugget" Coombs, who later became the Governor of the Commonwealth Bank. What distinguished these men from the old bureaucrats, Pusey (Ibid.) argues, was the close experience of the depression years, and the fact that most of them finished their economics degree in a night school. This, presumably, helped them prioritize the national needs over those of balancing budgets. The other important change that occurred was that these senior economists were brought together into a single agency, the Financial and

Economic Advisory Committee (F&E). The power over economic policy and the capacity to coordinate the basic economic policies of the various arms of the executive government were thus brought under "one roof". Under these conditions, Keynesianism was ready set to go.

Similarly, in Canada, the war effort largely expanded the governmental activity and forced the Canadian state to assume a noticeable degree of control over the economy. The strategy of industrial mobilization involved direct subsidies to capital, creation of Crown Corporations, interference with the allocative mechanism of the market, as well as controls over various commodities considered vital to the war effort. The allocation of commodities and industrial products between Canada and the U.S. clearly involved an expansion of the regulatory role of the government, and in that sense the Canadian state became implicated in promoting further integration between the two economies.

At the same time, the economic expansion generated by the war resulted in a dramatic increase in the overall size and strength of the trade union movement. During the war years, total union membership more than doubled (Wolfe, 1984). This growing strength also attracted attention of the policy-makers who began to be increasingly concerned over the possibility of a repetition of labour unrest which characterized the end of the World War I. These changes in the balance of social forces, together with the realization that economic liberalism simply failed to guarantee the necessary equilibrium within the economic system, was not lost on the Liberal Party leadership. The sense of political crisis was exacerbated by the formation of the social-democratic Co-operative Commonwealth Federation (CCF), the activities of the Workers' Unity League, and the increasing popularity of the Congress of Industrial Organizations which came to Canada from the U.S. (Ibid.). Consequently, to ensure its electoral success, Prime Minister Makenzie King proposed a dramatic change in government policy with respect to planning for the post-war reconstruction as well as the introduction of some social welfare reforms. In this sense, the new government strategy was a compromise aimed at steering Canada away from both economic liberalism and state ownership under socialism (McBride and Shields, 1993). However, what type of class compromise was the Canadian Keynesian settlement is a crucial question.

Canada's unique form of statism/Keynesianism was underscored by its traditional dependence on the export of resource staples. Thus like Australia, Canada's version of Keynesianism had its structural limits from the start, as its aggregate demand tended to stimulate the consumption of imports rather than domestically produced merchandise (Wolfe, 1989). But whereas Australia followed the path of protectionism in its effort to industrialize, the Canadian industries, and manufacturing in particular, were drawn into a closer continental integration with the U.S. economy. Such integration had ideological consequences for setting limits to how far the Keynesian class compromise might go, because, as already argued, the U.S. business and political leadership[13] were ideologically opposed to planning, social welfare, and generally to any government interference in the private sector.

The other important factor that impacted on the formation of economic policies in Canada was its geographic situation. Sprawling over vast areas with huge disparities in regional wealth, the nation-building process in Canada was shaped by the need to balance such regional disparities. Thus in Canada the reality of federalism and regional inequality were chiefly responsible for the *statist* role assumed by the Canadian state, as the state was the only instrument that could ensure an equitable economic development throughout Canada (McBride and Shields, 1993). Keynesianism in Canada thus regulated not only class struggles but regional struggles as well. This point is well made by Jenson (1989), when she argues that the Keynesian class compromise in Canada was organized through federalism, not through the political party system. In Canada, the Liberal Party and Progressive Conservatives seemed to have had a virtual monopoly over the political

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[13]Except for fractions within the Democratic Party in the North (Weir, 1989).

territory. But neither of the two parties can be seen as associated with the working class interests, a point also made by Barlow and Campbell (1995), who argue that there had always been two kinds of Liberal: social and business. The social Liberals, today perhaps organized around Lloyd Axworthy, have argued for a social safety net. At times of economic crisis, however, their voice tends to be weakened. Business Liberals, on the other hand, are openly aligned with the corporate sector, and are distinctly pro-free-market (Ibid.). The genuine interests of the workers thus never had a real chance of getting onto the Canadian government's agenda. This would have consequences for the no-fuss dismantling of the welfare state and the restructuring of the labour relations and the workplace in Canada after 1975 (Jenson, 1989).

This said, the introduction of limited, or permeable Keynesianism at the end of the war into governmental economic policy-making was led by the Deputy Minister of Finance, W.C. Clark, who belonged to a new coterie of young economists with Keynesian leanings. According to Wolfe (1984: 54), this group played an "instrumental role in aiding the diffusion of Keynesian ideas throughout the upper echelons of the Ottawa bureaucracy." And it was especially through the prestigious Economic Advisory Committee, chaired by W.A. Mackintosh, that Keynesianism found its way into the post-war reconstruction plan, outlined in the Speech from the Throne in 1944. From there on, the object of post-war economic policy was to provide social security and human welfare. Yet, as McBride and Shields (1993), Wolfe (1984), and Jenson (1989) remind us, these changes were initiated neither for altruistic reasons nor as a consequence of working class empowerment, but involved instead the logic of "crass class politics" (McBride and Shields, 1993: 7).

In New Zealand there was virtually no discontinuity between the pre-war and wartime economic management strategy. This was chiefly due to the fact that the first Labour government remained in power until 1949. What is worth noting here is perhaps the establishment of the Economic Stabilization Commission in 1942. Its task was to advice the government on the economic policy. However, as the Commission was chaired by the Secretary to the Treasury, the Treasury's influence over economic policy remained unabated.

Post-war Keynesianism. The late 1940s and 1950s saw a continuity of Keynesian policies in most countries except, perhaps, in the U.S. The situation in the U.S. was unique. The key reasons why the U.S. failed to adopt Keynesianism as a policy making paradigm were the relative weakness and divisiveness of the labour movement, the failure of the Keynesians to consolidate the process of economic policy-making in one single agency, the strong opposition to it by the coalition of big business, manufacturers, and farm organizations, who saw Keynesianism as an "instrument for executive usurpation of power" (Hall, 1989: 71), and, ironically,[14] the strong degree of permeability of civil service due to the tradition of complete change-overs in the personnel of governmental agencies according to which administration happened to be in power. In fact, when we look more closely at the fortune of Keynesianism in countries such as the U.K., Australia, New Zealand and Canada, we can begin to identify a discrete set of conditions which seem necessary for Keynesianism to thrive:
(i) consolidation of economic policy-making, (ii) strong labour movement, (iii) the key role played by a social-democratic party in bringing Keynesianism into the policy-making forum, (iv) role of the central bank, (v) personnel stability at a senior level, and (vi) economic, administrative, and political feasibility. In this respect, the point made by Weir (1989: 53; see also Lipietz, 1992, Albo, 1994, McBride and Shields, 1993) that it was the

> social and political upheaval that accompanied the major economic depression of the 1930s, the Second World War, and [most of all] the emergence of the working class as a central political actor all provided the backdrop to the emergence of Keynesianism and its eventual adoption as economic orthodoxy,

is well taken, because the implementation of welfare state measures was a result of struggles waged by the trade union movement and its supporters in the political arena of parliament. The significance of this point will become yet clearer in our discussion of post-Keynesian politics, marked by the corporate capital's attack on the trade union movement and those regulatory structures which allowed a relative empowerment of the working class.

In the U.K., the struggle over economic policy was chiefly between the conservative Treasury and the Keynesian economic section which was attached directly to the Cabinet, and thus allowed a direct access to the policy makers. Yet the situation was complicated by the fact that the new post-war Labour government prioritized nationalization and planning as its chief economic objectives. Thus during the first two years of the Labour government there was virtually no representation of Keynesian point of view in the economic policy making arena, where the battle lines were drawn between the economically orthodox Treasury and the socialist manifesto of the Labour Party. The major turning point occurred in 1947 after the planning approach of the Labour administration failed to resolve the fundamental economic problems of the country, and the Treasury regained its preeminence in the economic policy making. This time, however, the Treasury was already converted and staffed with Keynesians. Yet it remains the fact that it was a social democratic party which introduced the principles of demand management into the economic policy-making process, albeit through the Treasury. That the Labour Party had to change its views on Keynesianism[15] only highlights the economic feasibility factor. Furthermore, once the exchange of the personnel in the Treasury took place, the Treasury's reassertion as the key economic policy advisor ensured the continuity of Keynesian policies. Finally, the political

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[14]This is ironical because it was such permiability in the first place which allowed the early introduction of Keynesian principles into the economic policy formation, and this long before other nations succeeded in doing so.

[15]Prior to and during the Second World War, the Labour Party rejected any compromise with capital. Keynesianism was then seen by them precisely as such a compromise.

feasibility of Keynesianism was ensured by the general consensus that full employment and security income were in the interest of everyone. Unlike in the U.S., the business interests in the U.K. saw Keynesian policies as potentially conducive to a general national prosperity. And for the conservatives, such consensus was further sustained by their fear that a return to high unemployment might lead to a renewal of an open class warfare between labour and capital. Thus the Keynesian class compromise appeared to serve every body's interest.

In terms of economics, the circumstances in Australia were different. The Australian economy has traditionally remained highly vulnerable to global fluctuations in demand for raw materials. This, of course, was due to Australia's dependence on exports of wool, wheat, coal, iron ore, and on the primary commodities. Yet a relative political stability was maintained chiefly through a class compromise negotiated between labour and capital in the face of shared vulnerability to the world prices and demand for Australia's raw materials (O'Malley, 1989). Domestic stabilization in Australia was based on tariff protection, control of immigration, and industrial arbitration and conciliation (Ibid., Dabscheck, 1993). And as Pusey (1991:213) points out, this allowed the state to both resist private capital interests and, in the sense of relative autonomy, to protect the social structure. The pre-Second World War Australian state was a very strong state. In fact one consequence of Australia's protectionism was a subsequent failure to develop a basic social security net, because the protectionist policies simply kept all able people in the workforce and there was no perceived need to address such issues as unemployment insurance, for example.

The adoption of Keynesianism in the post-war period in Australia was thus made easier because of the strong push by the trade union movement which, since the Maritime Strike in the 1880s, had a direct political representation through the Australian Labor Party, and because it had now become administratively feasible to implement Keynesian policies. This became feasible because Keynesian economists consolidated their position within the Treasury, and because the Labor government acted after its election victory in 1941 to both empower the Commonwealth Bank, making it thus basically a central bank, and subordinate it to its own wishes (Whitwell, 1994). The Commonwealth Bank Act of 1945 spelled out three key objectives of Australia's economic policy: stability of the currency, full employment, and economic prosperity and welfare for all Australians. One last proviso needs to be mentioned. Because Australia has traditionally depended on exports of raw materials, while importing consumer goods, and because there has been a tendency for aggregate demand to exceed aggregate domestic supply, the major objective of Australia's budgetary policy or demand management was not so much to provide a stimulus to the economy at times of cyclical downturns but rather to dampen the tendency towards excess consumption (Whitwell, 1994).

That the post-war re-orientation of economic policy in Canada took a Keynesian turn was captured in the 1945 White Paper on Employment and Income, written by the Minister of Reconstruction, C.D. Howe. The paper outlined four main sources of aggregate demand: export trade, private investment in capital stock, private consumption expenditures, and government expenditures. Exports of resource staples thus formed the crucial link in sustaining aggregate demand, and, in that sense, the Canadian Keynesianism represented a rather unique synthesis of exports based on primary commodities and the Keynesian theory of demand management and fiscal stabilization (Wolfe, 1984).

There were two major factors that influenced the way Keynesian economics entered into the political arena in Canada. Firstly, the 1946, and 1947 strikes played a crucial role in the establishment of a new industrial wage structure throughout the economy (Wolfe, 1984). At the same time, the trade union demands for a more equitable bargaining system was recognized by the government in 1944, when the government introduced new provisions to govern the certification of unions and compelled employers to bargain with unions. Secondly, the Canadian economy grew strongly in the 1950s. However, this economic expansion, along with the inflow of U.S. investment funds caused a steady rise in the rate of inflation. And it is at this stage that the role played by the Bank of Canada

under James Coyne became crucial. Coyne believed that inflationary problems were chiefly due to a strong demand for investment funds. The way to stop this was to restrain the growth of the money supply. By the end of 1956 a credit squeeze was in effect (Wolfe, 1984). The restraint on the money supply was further compounded by the government's fiscal policies. Both of these policies were ultimately responsible for the first major post-war recession. The conflict between the demand management and the maintenance of stable levels of employment, which came forth in the 1950s, provided thus a clear indication of the constraints on the ability of the Canadian government to implement Keynesian economic policies.

The post-war developments of Keynesian policies in New Zealand can be traced along three major trajectories: (1) successive amendments to the Reserve Bank Act, (2) the statutory changes to the welfare provision, and (3) other structural developments relevant to the promotion of the Fordist State (Wilkes, 1993).

First, The National government which gained power in 1949 amended the original Labour legislation by making the principles of Keynesian demand-management even more explicit. The amended Act proposed to

> promote and safeguard a stable internal price level and the highest degree of production, trade, and employment that can be achieved by monetary action (*Statutes*, 1950, No. 5, section 2; quoted in Dalziel, 1993: 81-82).

The successive Labour governments acted to prioritize production, trade, and employment in 1960 and in 1973 entered the phrase "full employment" onto the statute books. The Labour government further entrenched its power over economic policy by introducing a triple-tiered committee structure for economic policy making in 1952. Yet even though Treasury did not have a monopoly on the provision of economic advice, it remained the most influential department within the triple-tiered Cabinet Committee system as all working committees were invariably chaired by the Treasury's Permanent Head (Goldfinch and Roper, 1993). As Goldfinch and Roper (Ibid.) put it:

> there can be little doubt that the evolution of the Cabinet Committee system during the post-war era... has strengthened the institutional foundation of Treasury's influence over policy formulation.

We can thus see that the consolidation of economic policy-making, which in New Zealand meant bringing together the key agencies of a central bank and Treasury, and through Treasury also major private capitalist interests, created conditions for the implementation of Keynesian economic policies.

Second, during the immediate post-war period there was a pronounced stagnation in welfare spending as the new Zealand Welfare State simply failed to keep welfare benefits in line with changes in earnings (Rudd, 1993). There were some increases in welfare spending between 1970 and 1990. In terms of GDP, welfare spending increased from 15.4% to 27.3% during this period, and as a proportion of total governmental expenditure it increased from 56.3% to 62.5%. Yet, as Rudd (1993) argues, such increases were chiefly due to demographic changes and rising unemployment. There were, nevertheless, three major innovations in social policy during the post-war period: the introduction of domestic purposes benefit in 1973, the accident compensations scheme in 1974, and the national superannuation scheme in 1977.

Third, Wilkes (1993) periodizes the New Zealand State in terms of its orientation to and promotion of the Fordist production regime. He thus identifies three stages of Fordist development. During the first stage (1935-1946) the state bureaucracy developed a series of social and economic strategies designed to promote industrialization through the principle of full employment. And even though these strategies were incomplete, they, nevertheless, do represent a shift towards a Keynesian/Fordist regime of production and governance. The second period (1946-1967) was the period of consolidation. The full employment

policy was largely made possible by a strongly growing economy and good prices for the New Zealand's primary commodities exports. In terms of the social policy, this period was typified by a tripartite model of full employment, the cult of domesticity, and ethnic paternalism. The third, final stage (1967-1984) is characterized by the collapse of the above compromises. This collapse resulted simply because the state attempted to resolve the emerging social and economic problems through increased provision, but without increasing its revenue base to help it avoid the immanent fiscal crisis. That is, the low tax environment has remained unchanged, even though the weakening economy was clearly failing to supply the state with sufficient revenue. In the employment area the state decided to subsidize full employment, in the family it provided single-parent support benefits, and in ethnic politics it shifted to land claims. The result was an ever-worsening budget deficit.

In the next section we will discuss the different types of Fordism as they emerged in different countries in the post-war era. What should become clear is the dual relationships between hegemonic projects and specific accumulation regimes. Accumulation regimes are modes of production specific to regionally and historically given capacities of national economies to interact with the global economy, and hegemonic projects are modes of control, regulation, or governance which ensure social consensus necessary for pursuing a specific national economic strategy. In this respect, Keynesianism and neo-liberalism represent two contrasting hegemonic projects. Correspondingly, Fordism and post-Fordism stand for two contrasting accumulation regimes.[16]

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[16]It is important to note here that applying the label "accumulation regime" to an economic strategy or configuration known as post-Fordism might be misleading. Within the terms of regulation theory, post-Fordism cannot be described as an accumulation regime precisely because there is as yet no mechanism in place for regulating global post-Fordism. In other words, an accumulation regime without a corresponding mode of social regulation (MSR) is a contradiction in terms.

3
THE SECULAR CRISIS OF THE FORDIST/KEYNESIAN COUPLING

The preceding section showed that the Keynesian hegemonic project needs to be understood not as a simple articulation of an ideal type at a nation-state level, but rather as a complex process of articulation, intermediation, and contestation by key social actors. Specifically, the implementation of Keynesianism took shape on the basis of its economic, administrative, and political viability. In other words, the existing power relations within the central agency and the role played by the business community, the role of the trade union movement, the state and other institutional structures, or the national economic situation all impacted in some way on the type of social settlement which emerged in various countries by the end of the Second World War. This point is worth making especially because in some of the literature which today analyses the current putative transition from the Fordist regime of accumulation to the post-Fordist one there seems to be an assumption that an ideal-type post-Fordist regime of accumulation is being unproblematically imposed on national economies (see, for example, Mathews, 1989, Piore and Sabel, 1984). The driving force behind this transition is alleged to be the emergence of a new techno-managerial paradigm (Hoggett, 1987), also known as *just-in-time* production regime (Sayer and Walker, 1992), *Toyotism* (Dohse et al., 1985), *flexibility* (Pollert, 1991), and a myriad of other *isms*, not to forget the presumably inescapable forces of globalization. In the post-Fordist analysis, the nation-state, as the terrain of political struggles or mediation, is simply relegated to an agency which operates within the constraints imposed on it by economic conditions. At the same time, some care must be taken not to confuse post-Fordism with the regulationist approach, as the latter clearly attributes the process of transition in the economic sphere to social *embeddedness* of the dynamic of such change, rather then to an unproblematic transmission of economic imperatives to the level of macro- and micro-decision making. This is not to ague that the regulationist approach is flawless (see Tickell and Peck, 1995, Hay, 1995), and we shall return to this issue below. For now, let it suffice to state that the post-Fordist approach is clearly far too deterministic as it reduces the role of human agency to mere implementation of conditions determined by the accumulation process itself.

Following the regulationist approach, we have suggested that the development of capitalism in the countries under our consideration in the post-war era might be periodized, firstly, as a Fordist/Keynesian compromise, which began to break up towards the end of the 1960s (Lipietz, 1992) or, according to some other analysts, by 1970s (Clarke, 1990), and, secondly, as an emergent, but by no means complete coupling of post-Fordism and neo-liberalism. In this section we would like to examine this concept of production-governance dualism in more detail. With this purpose in mind, we will first discuss the concept of Fordism, and how its geographically distinct articulations might be linked with the corresponding forms of governance. Secondly, we will examine the nature of the crisis of Fordism. Finally, we will look at the landscape of strategies which have emerged so far, as the individual nation-states attempt to deal with their economic and fiscal crisis.

3.1. National Fordisms?

What is Fordism? In defining Fordism, we need to distinguish it as a regime of accumulation, and thus an analytically distinct phenomenon from Keynesianism, which is associated with a mode of social regulation (MSR), even though there is a strong overlap between Fordism and Keynesianism in the post-Great Depression era. Fordism itself is a periodizing label used by regulation theory to name the historically specific period of capitalist production between 1920s and 1960s or 1970s (Lipietz, 1992, Altvater, 1992). Keynesianism, as we have seen in the preceding section, as a mode of governance or regulation[17] comprises

> the totality of institutional forms, networks and norms (explicit or implicit), which together secure the compatibility of typical modes of conduct in the context of an accumulation regime, corresponding as much to the changing balance of social relations as to their more general conflictual properties (Lipietz, 1985: 121, quoted in Jessop, 1989: 262).

In other words, the regulationist approach recognizes the inescapable duality between regimes of accumulation and modes of social regulation.

In its original and purest form, Fordism is associated with Taylorism, otherwise known as a method of scientific work organization, and is readily identifiable with the introduction of the principles of assembly line and consumerism into the North American life-style. In fact, Braverman (1974:148-150), in describing the genesis of Fordism, already anticipates its crisis. The Fordist revolution consisted in taking the whole job-task of a mechanic and separating it into discrete repetitive actions, whereby the pace of production became easily controlled by the management. The management could regulate the speed of the assembly line in order to intensify the work effort of the workers.[18] At the same time, Ford froze the pay at a certain standard level ($2.35 in 1913). These developments had radical repercussions for workers, who began to "walk out in droves" (Ibid.: 148) in protest against the inhuman conditions. In his attempt to counteract workers dissatisfaction, Ford increased their pay. But the nexus between the wages and the intensification of labour has been established, as Ford kept conceding higher relative wages for a shrinking proportion of workers in order to guarantee uninterrupted production and profits (Ibid.: 150). By saying that Braverman had already anticipated the crisis of Fordism we are thinking of phenomena of work intensification, separation of design and execution of labour tasks, and a technological change through which fewer workers were needed to produce the same production outcomes. Indeed, Lipietz argues strongly that the crisis of Fordism was the crisis of the model itself, as the workers rebelled against the denial of personality by the starkest forms of separation between those who designed and those who performed tasks (Lipietz, 1992: 14-15).

The introduction of Fordism into the other geographically distinct parts of the global economy had taken the path of uneven development (Lipietz, 1982, 1992, Paloix, 1976, DeVroey, 1984). Furthermore, the trajectory of that path roughly corresponds to the progressive exhaustion of the investment potential in the various global regions. Thus the US portfolio and direct manufacturing investment in the UK and the continental Europe

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[17]The conflation of the concepts of governance and regulation is not unproblematic. But see Jessop (1995), who argues quite plausibly that the governance approach does provide a certain complementarity to the regualtion approach. In order to emphasise the political aspect of regulatory outcomes, in this thesis we will use the term "governance" as an aspect of a mode of social regulation.

[18]This has also become the dominant managerial feature under the implementation of the just-in-time production method in the Toyota automanufacturing plant in Japan (see Dohse et al, 1985).

grew significantly in the mid to late 1960s: in direct investment from $2.1 billion in 1964 to $12.2 billion in 1969 (van der Pijl, 1984: 236). Most importantly, however, by then

> a truly Atlantic capital seemed imminent, not only involving an intra-company division of labour in the context of reintegration at the Atlantic level of the circuits of commodity, money, and productive capital, but also engendering a commensurate format of labour relations and profit distribution (Ibid.: 237).

Yet even in Europe the spread of Fordism was not a uniform affair. Along a similar line of thinking, Tickell and Peck (1995: 361-362) argue that even though it might be possible to make abstract claims about globally hegemonic regimes of accumulation, there have, at the same time, emerged many different national variants of Fordisms, which comprised a whole range of geographically specific couplings between Fordism and Keynesianism. Like Jessop (1989), they identify the UK version of Fordism as *flawed* Fordism. Other countries such as France embraced a more dirigiste type of Fordism, termed by them *state* Fordism. Some others, such as Italy and Spain were latecomers to the Fordist mass production/mass consumption paradigm, and still some others, such as the developing countries (The Philippines, Malaysia, Bangladesh) experienced *primitive Taylorization* (Ibid.), *neo-Fordism* (Paloix, 1976), or *bloody Taylorization* (Lipietz, 1982). The shift in Fordist investment was, perhaps, most noticeable in the Asian Tigers countries such as South Korea, Singapore, and Hong Kong precisely at the time when the core Fordist countries such as the US, Canada, the UK, or even Australia and New Zealand began to experience the first signs of the crisis of Fordism/Keynesianism coupling (see Berry, 1989, Wilkes, 1993, Probert, 1994). For these reasons alone we can begin to understand that it is difficult to speak of a world-wide extension of Fordism; that is, without taking into account specific cultural, political, geographical, or economic factors, which all combine to articulate specific national variants of Fordism and Keynesianism.

3.2. Fordism in the UK, the US, Australia, Canada, and New Zealand.

(1) The US classic Fordism:

Drawing on Lipietz (1982, 19920, Gramsci (1987), Jenson (1989), Jessop (1989), Probert (1994) and Wilkes (1993), we can begin to map out the terrain on which Fordism took hold in these countries. Clearly, the US development in Fordism represents what we might call a *Classic Fordism* (Tickell and Peck, 1995). Yet the case of the US is a unique one for a different reason. Let us recall that it is the coupling of Fordism and Keynesianism which articulates a particular regime of accumulation. This, as we have seen, was the case of the UK, Australia, Canada, and New Zealand. Keynesianism in these countries did produce a type of economic policy which aimed at stabilizing mass production through aggregate demand management; that is, by ensuring there was a sufficient mass-demand for mass-produced goods. But in the US Keynesianism had a rather brief and chequered career. As we have seen, the US government had not managed to consolidate the economic policy-making function within one key agency. This bureaucratic fragmentation along with an essentially hostile, economic liberal business constituency had encouraged from the very start compensatory fiscal policies. The emphasis was on the reduction of tax rates as an alternative to increasing government spending. And, of course, to the conservative business community such a strategy was far more acceptable than running up a high spending deficit. The argument being that "tax rates should be set at figures that enable the country to balance the budget when employment and production are at satisfactory high level" (Salant, 1989: 46). The full employment, the key policy objective in most other Fordist countries, has never become institutionalized in the US (Ibid.,. see also Weir, 1989). What became institutionalized as government policy were the corporate tax cuts

(Ibid.). The 1964 tax cut reduced effective corporate tax through depreciation schedules and a 7% investment tax credit. This helped to sustain the rate of investment, with the benefits accruing particularly to corporations (van der Pijl, 1984: 235). This practice carried through to the Reagan and Bush administrations.

Nevertheless, as long as domestic economic expansion lasted, near full employment was maintained. What is important to note within the context of the US Fordism, however, is the problem of low profitability of the US industrial enterprise. This was chiefly due to the fact that a significant part of the US industrial complex was supported by the enormous military build-up under the Kennedy administration, and was, therefore, sheltered from a direct competition particularly by the German and Japanese manufactures (Kennedy, 1988). The war in Vietnam was a part of that configuration. And in this sense, the US National Security State, contrary to the claims made by economic liberals, had grown rather than became smaller (Whitaker, 1987). Thus between 1978 and 1986, the expenditure on defense had grown by 4.5 per cent, and this at a time when most other countries' defense budgets were noticeably shrinking.[19]

The marriage of Keynesianism and Fordism was then not an easy one in the US. The attempts by Roosevelt to nationalize Fordism through the New Deal were not welcome by the corporate capital (see Weir, 1989). At the same time, Roosevelt's new public framework for capitalism was not quite thought through (Harrington, 1992), and tended to be realized more as a series of fiscal measures than a well-thought through Keynesian plan to control the effective aggregate demand. The Johnson administration did introduce the anti-poverty program and a limited medical insurance, which were designed to extend the feasibility of a continued economic expansion. But by 1965/6 the optimism and economic boom based on the Atlantic partnership were exhausted (van der Pijl, 1984). This crisis was chiefly brought about by objective changes in the structure of the world economy. The disintegration of the Atlantic partnership had several significant consequences. Firstly, it encouraged the reemergence of liberal internationalism and state monopolism, or unilateralism. Secondly, consistently with Offe's (1975) argument, some transnational corporations began to seek to improve their competitive advantage through various innovative measures. One of them was a system of double-sourcing (production of parts in different countries) designed to cut down trade union power, but subsequently also to minimize production costs by shifting plants off-shore. Together with the setting in economic downturn in the Atlantic region, such strategies contributed to the loss of industrial capacity, on the one hand, and to the increasing disorganization of the working-class unity, originally motivated by the Keynesian class compromise. The latter was clearly caused by the emerging unemployment. Finally, the collapse of the Atlantic partnership resulted in the rise of stateless money capital in the international circuit of capital, posing a challenge to the domestic money capital. And as van der Pijl (Ibid.) points out, these developments converged to resurrect a reactionary-liberal tendency in national politics.

The resurgence of money capital might, perhaps, be seen not only as being consequential to the crisis of Atlantic Fordism, but also as a key contributing factor to the changes in the objective conditions underpinning capital accumulation. By this we mean that it has become increasingly more profitable to invest in capital and speculative markets, rather than in manufacturing. This trend was exacerbated by the fact that the capitalist world had a mammoth surplus of investment funds at the time of the collapse of the Bretton Woods system of stable exchange rates after 1971 (van der Pijl, 1984, Harvey, 1989). At the same time, domestic finance based on control and protection broke down, and in order to attract investment, the core Fordist states began to deregulate their hold over the financial markets (Crook, 1992). One consequence of such deregulation was the mushrooming of offshore banking and financial markets. The Eurocurrency market and the tax havens such as Cayman Islands or Bahamas offshore financial centers epitomize this type of financial

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[19]*See Government Finance Statistics Yearbook, 1980-92*, Table S.7.

services, whose chief function was to create investment opportunities in an environment unregulated by nation-states' interests (Crough & Wheelwright, 1982, Thrift, 1987, Roberts, 1994), or simply to provide a financial market for individuals and corporations who wanted to avoid tax (Cohen, 1987a: 84).[20]

The emergence of money capital as the leader in investment capital is thus a consequence of a complex change in the conditions of capital accumulation at the time when Fordism began to outlive its usefulness to the process of capital accumulation itself. As suggested, not a single, but multiple causes brought about its demise. In most simple terms, the liberalization of trade, especially under the GATT agreement, created a demand for international finance through offshore banking. This positioned the domestic financial services in direct competition with the unregulated markets, and in the long run encouraged a general deregulation of financial markets (Crook, 1992). The intense competition for multinational funds also encouraged a rapid development of new technologies such as super computers (i.e., a network capacity for electronic funds transfers measured in billions of bits per second), or new customized services such as *parallel thinking* investment opportunities (a combination of different financial markets potential profits) or *client mirror* service (customized pattern of profits and loss reflecting all transactions and investments permutations) (Chorafas, 1992).

The key driving force behind these developments was the desire to expand the opportunity and potential for profitability. In that sense, deregulation of the financial industry led the way towards a global unification of the national circuits of capital. However, as Frieden (1991) points out, the close interlinking of the financial markets sets them apart from sector specific or equity markets, which are much less connected, and, therefore, much less mobile. The important outcome of these changes, then, was a radical shift in profit share from productive capital to capital engaged in circulation. At the peak of Fordism (around 1950), productive capital's share was about 48%, and circulation capital's share about 38%. This relative share of profits was turned around by 1967/8, when both sectors' share was 42%. However, by 1982 the circulation capital's share rose to 58.2%, whereas the share of productive capital fell to 22.9% (van der Pijl, 1984).

By the 1970s, for the US Fordist (i.e., productive) capital, the decline happened across the board: share of US exports in OECD trade declined, but imports share rose, the rate of profits and of capital accumulation fell, unemployment rose, and hourly earnings fell, and the year 1967 was thus probably the critical year in which the crisis of Fordism instilled itself irreversibly in the US economy, signifying at the same time the rise of new economic liberalism (i.e., neo-liberalism).

(2) The UK flawed Fordism:

Following on from the discussion of the US Fordism, and attempting to squeeze both countries into a uniform Fordist pattern is a challenging task. It is challenging on two counts. Firstly, the US had developed an industrial and labour process pattern of Fordism, but without a pronounced corresponding project of Keynesianism. The UK, on the other hand, developed a strong Keynesian, demand-management approach, without, however, a pronounced Fordist pattern in the nature of the labour process and industrial production in general. Yet if we accept the broader concept of Fordism--that is, as defined by the relationship between production, wages, and consumption, whereby the propensity to consume is balanced against the production capacity--we could accept that both the US classical, but unregulated Fordism and the UK flawed, but regulated Fordism both fit into the Fordist mould (cf., Jessop, 1989).

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[20]In 1982 there were some $2,000 billion of Eurocurrency available for a short-term speculative investment. These moneys accumulate interest or capital gains without paying tax to any government (Thrift, 1987: 214; Crough & Wheelwright, 1982: 130).

The difference between the US and the UK Keynesian settlements can perhaps be best captured by situating both countries within Turner's (1990) ideal-typical construction of citizenship. Turner argues that the construction of citizenship in the US is driven through individualism, that is from below, and is firmly set within the private sphere. In the UK, on the other hand, citizenship is constructed through centralized power, that is from above, and within the public space rather than the private one. Thus the UK Keynesian settlement was effected through the state and took the form of social wage and institutionalized collective bargaining around a wage tied to rising productivity and inflation (Jessop, 1989). And as Jessop, Boyer and Coriat (1987), and van der Pijl (1984) argue, it was the failure of the increases in the social wage and general income to stay at the approximate level of productivity increases, which was one of the key factors contributing to the break-down in the virtuous circle of mass production--high wages--mass consumption.

The claim that the increases in productivity failed to keep pace with wage increases is not easy to substantiate as the needed statistical data are not readily available. But that the trend was increasingly worrying the UK government is clear from the steps it was taking in the 1960s to counteract the growing import penetration of the UK markets. Some of these measures involved the establishment of the Economic Development Committee, whose task was to improve productivity and competitiveness of British-made goods. It further involved the establishment of the Industrial Reorganization Corporation, and expansion of the industrial training board system and government training centers to meet foreseeable shortages of skilled workers (see OECD, 1967). Furthermore, the growing social wage expenditure under the Wilson and Callaghan Labour governments between 1974-1979, as shown in Table 1 below, was clearly aimed at increasing the effective aggregate demand. Unfortunately for the UK economy, throughout the 1960s British imports tended to be consistently higher than exports (OECD, the UK, 1967: 46), and the Keynesian demand management strategy tended thus to support the imports of foreign goods rather than the expansion of domestic manufacture (see also Jessop, 1989).

	1964	65	66	67	68	69	1970	75	1980	1989
UK	32.4	33.1	33.9	35.4	33.6	36.1	35.4	38.1	45.6	41.2
USA	27.5	28.9	28.8	28.8	28.3	27.9	29.1	32.3	34.5	36.1
Canada	28.9	30.0	30.0	29.5	28.9	29.1	30.1	36.6	39.4	44.6
Austr.	22.1	23.7	23.4	23.3	23.7	25.6	25.6	26.2	32.8	34.8
N.Z.	na									

Table 1: Public spending in selected countries.
Source: *OECD, Economic Outlook,*, No. 37, 1985, Table R8 and 1992, Table R15.

The US social wage, on the other hand, was one of the lowest in the OECD countries. Going by Shaikh and Tonak's analysis of the US social wage (see Miller, 1992: 288), the net social wage transfers were negative in the US throughout the 1960s. In other words, taxes paid by labour exceeded the provided social wage benefits. How then did the US version of Keynesianism manage to balance mass-production with mass -consumption? The answer lays in wage flexibility. Thus between 1966 and 1969, even though there was some growth in average hourly earnings, the real labour cost per unit of output consistently lagged behind wage increases (OECD, the US, 1968: 9). However, this positive relationship between productivity and unit labour cost in the manufacturing sector had taken a dramatic turn by the end of 1972 and the cost of labour far outstripped its productivity. This remained the case until 1983. After that year there was a general decline in wages in

manufacturing, reaching the loss of 2.33% in average hourly earnings in 1987, even though the banking and finance industry experienced an explosion in wages in the mid 1980s (OECD, the US, : 25). According to the same OECD document, the decrease in wages was chiefly due to the recession which tended to discipline the workers and to moderate their wage claims. In all, from about 1983 the profit share had taken a turn in favour of corporations. The other important factor that contributed to the recovery of corporate profitability were the changes in the tax system, as it was chiefly the after-tax profit margins which expanded more than the pre-tax ones (Ibid.) The important point here is that the recovery of profitability in the US manufacturing took the form of intensified exploitation of labour rather than that of modernization driven by technological innovation, as was the case in Japan and West Germany.[21]

The fragmented system of collective bargaining in the UK might have contributed to the distortion of the nexus between productivity of labour and real wages. However, the domestic investment in industrial enterprises was extremely conservative, aiming to add-on to the existing technologies rather than to introduce entirely new processes and products (Jessop, 1989). In the long run, this flawed investment behaviour of the UK companies failed to resolve the problems associated with the lack of competitiveness of British goods on the domestic and international markets, contributed to the recurrent balance of payments problems and to the inflation, and, finally, to progressive de-industrialization (Ibid.).

The failure of the UK government to address the issue of productivity and more equitable distribution of wealth led to repeated attempts to reform industrial relations from 1969 onwards. But the strongest attack on the trade union movement occurred under Margaret Thatcher's leadership. The Thatcher government gradually withdrew the institutionalized rights of unions, and, further, became involved directly in unions' internal organization. These attacks were primarily aimed at the public sector unions. In the private sector, the changes were market-driven and developed along a micro-corporatist line which took more notice of the new realism of the labour market rather than the wishes of the Thatcher government.

(3) Canada's permeable Fordism:

What is permeable Fordism? The permeability of Canada's Fordism refers to the mode of its insertion into the global circuit of capital. Given Canada's spread over a vast geographic area, and its traditional dependence on the export of raw materials, the Fordist accumulation regime in Canada developed along two main trajectories: first, the emphasis on continental integration, already begun during the war, promoted the export of raw resources and import of capital (Jensen, 1098, McBride and Shields, 1993), and, second, the wage relations remained privatized; that is, the Canadian state tended to oversee rather than regulate the wage relations. In terms of the permeability of the accumulation regime in the post-war era, there were two direct consequences for the Canadian economy and its workers: the economy remained highly vulnerable to exogeneously generated shocks, such as through fluctuations in demand for raw materials, on the one hand, and, on the other, the minimum provision of social wage (Jenson, 1989) left the workers dependent on their wages--their bargaining power was thus critically limited (cf., Buravoy, 1985).

One other point needs to be raised, and this concerns the role of the Canadian Federal state in managing the Canadian economic policy in the post-war era. Phillips and Watson (1984: 23) argue that during the war years

> Canada had a centrally planned economy in which market mechanisms were largely superseded by administrative decisions, while ownership of the productive capacity was left in private hands.

[21]See Jessop, 1989, on Fordism in West Germany, and Kennedy (1988) on productivity of US enterprises.

This was socialism, capitalist style (Ibid.). Such war efforts were managed through Crown corporations, whose chief objective was to increase the flow of investment in the manufacturing sector. However, Canada's post-war economic policy differed radically from that of the war years. The most important change was the abandonment of the concept of protected manufacturing sector and the selling off of some of the Crown corporations to the US investors (Phillips and Watson, 1984). From a relatively healthy manufacturing economy, Canada's position within the Continental economy took a sharp turn back towards its reliance on natural resources exports.

The two other developments helped shape Canada's permeable Fordism. After the war, the wartime economy was rapidly deregulated and the control over resources was returned to provincial jurisdiction. At the same time, there was a switch in the post-war development of resources from staples trades (such as fish, fur, timber) to staples industries (such as oil, gas, mining and pulp and paper) (Phillips and Watson, 1984). The development of these resources required capital and this capital came chiefly from the US or multinational resource companies. The Canadian government role in this was passive, and limited to developing infrastructure and providing tax incentives (Phillips and Watson (1984).

The post-war economic boom in Canada was thus driven by the US investment in and demand for raw materials. Within a larger picture of a global economy, the US demand for raw materials was also spurred by military expenditure in the United States, driven by the Cold War rhetoric. The domestic consumer demand in Canada was largely met by the branch plant operations of US corporations, but also by imports of consumer goods from the US. For this reason, Phillips and Watson (1984) argue that the post-war economic boom in Canada was essentially the "American boom in Canada". In this sense, Canada's permeable Fordism must be seen in terms of its insertion into the US economy.

Because the key ingredients of the Fordist-Keynesian settlement (control over natural resources, labour relations, and the provision of welfare) were a provincial responsibility, state expansion took the form of a provincial expansion. The institutionalization and stabilization of Fordist production and Keynesian regulation was thus embedded in the institutions of federalism. Jenson (1989) further argues that the post-war collective identity in Canada was mobilized around the concept of national identity, rather than around a class compromise between labour and capital, as was the case in the social-democratic countries in Europe, but even in the UK and Australia.[22] Further, Jenson argues that these developments were consequential to two distinctly Canadian phenomena: lack of strong ties between intellectuals and the labour movement, and the "partisan wishy-washiness" (Jenson, 1989: 83) of the political party system in Canada. Political actors in Canadian politics are characterized as people who "eschewed a class-based discourse and who provided no support for class-forming politics."

The Fordist-Keynesian settlement in Canada was thus affected by the economic interests and power of the US capital, reluctance of the Canadian Federal state to interfere in the private arrangements or contracts between labour and capital,[23] and the tradition of non-class politics. There were several consequences of the peculiarly Canadian economic strategy in the Fordist era. First, the country was opened up for exploitation by foreign capital. The repatriation of profits had negative consequences for investment in the Canadian economy, and especially in its manufacturing industry. Second, the former had directly contributed to a long-term decline in manufacturing, chiefly caused through protectionist policies towards foreign controlled branch plants. Third, despite the broadly defined intention to moderate regional disparities through compensatory and developmental policies, some analysts (Gagnon, 1991, McBride and Shields, 1993) argue that the

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[22]On Class compromise in Australia, see O'Malley, 1989.

[23]Panitch and Swartz (1985), in fact, argue that both the Supreme Court of Canada and provincial governments played a coercive role in industrial relations through decisions and legislation restricting collective bargaining rights.

Federal-provincial conflict, along with decentralization and the increasing emphasis on the market forces have contributed to greater regional disparities rather than eliminated them. Finally, at the sunset of Fordism, the Canadian economy has emerges as far more dependent on investment and the performance of the US economy, having, of course, control over neither. This lack of structural coherence and a feeling of vulnerability will have a significant effect on the Canadian economy in the period after Fordism.

(4) Australia's protectionist Fordism:

Like Canada, Australia has traditionally relied on exports of rural staples and mineral raw materials, and the role of foreign capital in financing its manufacturing and mining industries (see Table 3 below). However, because of a particular Australian mix of political and economic factors, the pattern of permeable Fordism took a different shape. In fact, the Australian economy had almost become impermeable to external competitive pressures.

At the same time, the import-replacing manufacturing industry absorbed less than one quarter of the workforce, and contributed only between 15% to 20% to the Gross National Product (GNP) (O'Malley, 1989:7). In 1965 primary commodities accounted for 86% of exports. In other words, Fordism, to the extent that it is defined primarily in terms of mass production and mass consumption of standardized goods, is a label difficult to apply to Australian manufacturing. Yet throughout the period of Fordism, The Australian economy and the Australian people did enjoy all the benefits which came with the Fordist regime of mass production and mass consumption. This, however, was not due to the redistributive role of the state (e.g., through the social wage) or the developments in manufacturing, but rather to the Keynesian mechanism of fiscal and monetary policies which in Australia did result in full employment (see Table 4) and thus minimized the level of social dependency on the social security transfers (F. Castles, 1989). In Manuel Castells' words, "post-war Fordism has to be seen, therefore, less as a mere system of mass production and more as a total way of life"(Castells, 1989: 135).

In the case of Australia, this totalizing framework meant that Australia functioned as a supplier of raw commodities to the rest of the world, including the budding Asian economies in Japan, Singapore, Hong Kong, Taiwan and South Korea, but, at the same time, because Australia maintained levels of employment and real wages at least comparable with the core Fordist countries (O'Malley, 1989, Castles, 1989), it has become an important consumer of the goods which were mass-produced elsewhere. In fact, Australian Fordism was carried on a sheep's back (Ravenhill, 1994). How was this "Fordist way of life" made possible, and what exactly helped Australia choose protectionism rather than permeability?

The two areas we would like to explore in this connection are (1) the economic conditions and (2) the nature of the political settlement between labour and capital, largely achieved through the state.

(1) As already stated, Australia has been traditionally dependent on the exports of agricultural staples and mineral commodities. In so far as the industrialization of the country is concerned, the path chosen was that of protectionism. Agricultural exports and protected manufacturing are two key factors in the equation of the Fordist settlement in Australia. The last and perhaps most significant factor was the role performed by the labour movement and by the Commonwealth Court of Conciliation and Arbitration. The combination of these factors was what critically influenced Australia's decision to choose social protection rather than domestic compensation, as was the case of the social-democratic countries in Europe.

But let us first consider the economic aspect of the Fordist-Keynesian settlement. Agricultural and mining exports constituted in 1965 86% of total exports. This dependence has made Australia extremely vulnerable to the shifts in the global commodities prices. During the post-war economic boom, exports of primary commodities managed to keep Australia's economy connected with the flourishing Fordism in the core countries. However, by the 1970s two global factors emerged which began to put Australia's balance

of payments (which was so crucially dependent on primary commodities markets) in jeopardy. On the one hand, it was the jump in oil prices in 1973-4, which put a pressure on the manufacturing sector to minimize the use of energy and to replace raw materials with synthetic ones. On the other hand, the European countries and the U.S.A. began agricultural protectionism. Both developments had a deeply detrimental impact on the state of Australia's economy, and this particularly as the expected mining boom failed to materialize. The consequence for Australia's trading performance was that by the 1980s, Australia had to keep increasing its exports by 2% each year just to pay for the same volume of imports (Ravenhill, 1994). This clearly put enormous pressure on Australia's terms of trade.

After the war, Menzies' conservative government decided to develop a manufacturing base. This was to happen at whatever cost, and the government practically declared an open-door policy to transnational corporations (TNCs). In fact the share of TNC subsidiaries in Australian manufacturing is only second to Canada. The process of industrialization in Australia was highly centralized, with bureaucratic control over regulation being firmly located in the central federal agency. Butlin et al. (1982) argue that with the exeption of the brief period of Whitlam's Labor Government, equity considerations played only a small part in the formulation of the industrialization policy. This was chiefly because the resultant full employment practically legitimated the government's efforts in this respect. Yet this does not mean that the central control impinged in any way on private decisions of corporations. On the contrary. The promise to provide capital, technology and managerial skills was conditioned on a favorable investment environment. For the centralist Australian government this meant that it had to guarantee "discretionary treatment in the movement of funds, the right to enter, the import of necessary materials and equipment, protection against the finished imports of other foreigners and the transfer of surpluses abroad" (Butlin et al., 1982: 332). At the same time, the Federal state had to keep its hands off of the private corporate interests.[24]

The protection of foreign corporations in Australia took initially a form of specific import restrictions, but after 1960 high protective tariffs were substituted for quota controls. One consequence of this was the emergence of a dual economy--the inefficient manufacturing and service sectors rode on the back of the rural and mining industries. In manufacturing, the situation was made yet worse because of an extremely high concentration of ownership, a fact which practically precluded any presence of competition on the domestic markets. This had also resulted in an almost complete absence of manufactured goods in Australia's exports, but also in the fact that even the domestic consumption had to be greatly subsidized through imports of consumer and other goods. By the mid 1980s, the proportion of Australia's exports of raw materials was higher than it was a decade earlier. In combination with the falling commodities prices, the abysmal state of Australia's manufacturing led, on the one hand, to a sharp fall in Australia's terms of trade after 1972-3, and, on the other, to a negative current account balance. The Fordist-Keynesian consensus was quickly coming to an end, but its legacy of a desperately inefficient manufacturing sector was to haunt the future governments, especially as the state structure was not equipped to deal with social consequences of a huge disinvestment in Australia's manufacturing sector. But this brings us to the peculiarly Australian path of social amelioration, a path which excluded cash transfers to compensate for market failure.

(2) What was the nature of the Keynesian political settlement between labour and capital in Australia? Castles (1989) identifies two factors which impact on the way governments might react in order to ameliorate the socio-economic circumstance of its population. These are (i) the level of dispersion of primary income from employment, and (ii) consequent emergence (or non-emergence) of social dependency. We have argued above that Australia opted for social protection rather than for social compensation. This

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[24]Most TNCs were not traded on the Australian stock exchange, and as such they escaped the regulatory controls exercised by the Federal Government (Crough & Wheelwright, 1982).

was a direct consequence of class compromise which, as Whitwell (1994: 136) observes, "seemed in every body's interest." In real terms this meant that every Australian had a fair chance to get a job. However, as Butlin et at. (1989) comment, the full employment policy was not entirely underpinned by equity concerns of the conservative government of Prime Minister Menzies. The reality of full employment and "decent wage levels for the working man" (Castles, 1989: 64), were the result of class struggles. That these struggles led to social protectionism in the post-war Australia was largely due to its historical timing (Ibid.). To understand the strength of the Australian trade union movement at the end of World War 2, we must note that in Australia unionization of politics had a relatively early start. In fact, following the defeat of the Maritime Strike in the late 1880s and early 1890s, the trade union movement made a deliberate decision to shift its struggles to the political sphere. This is how the Australian Labor Party was born at the break of the century. Its chief objectives were precisely the full employment and "Ten bob a day" wage (Metin, 1977: 180). At the close of the war, the working class movement in Australia was then well equipped to demand their share of the national income, and they wanted it as a direct share, not in a form of redistribution trough government agencies. Yet at the same time, the state did play an important part in the Fordist-Keynesian settlement. It played it through the agency of Commonwealth Court of Conciliation and Arbitration, which became a mechanism for securing social policy goals through the control of wage levels. Thus the trade union movement contributed in a significant way to the development of protectionist policies in the post-war Australia. These policies remained in place until late 1970s, as it has become clear by then that, on the one hand, Australia could no longer sustain itself on the basis of primary commodities exports, and, on the other, that the strategy of social amelioration was no longer able to provide jobs for all Australians.

'82-3	'83-4	'84-5	'85-6	'86-7	87-8	'88-9	'89-90
3.5	5.8	7.5	9.0	10.6	13.1	16.2	20.1

Table 2: Repatriation of foreign profits ($bil.) from Australia.
Source: *Foreign Investment in Australia, 1988-9.* Australian Bureau of Statistics, Canberra.

Industry	*Ownership (%)*		*Control (%)*	
reference period	*Foreign*	*Austral.*	*Foreign*	*Austral.*
Manufacturing industry (1982-83)	32.9	67.1	34.6	65.4
Financial corporations (1986)	38.1	61.9	32.8	67.2
Life insurance (1983-4)	40.3	59.7	26.6	73.4
General insurance (1983-4)	34.1	65.9	35.9	64.1
Mining industry (1983-4)	44.7	55.3	51.5	48.5
Imports (1984-5)			53.9	46.1
Exports (1985-6)			43.3	55.6

Table 3: Foreign ownership and control of Australian industries.
Source: Ian Castles, Foreign control of exports from Australia, 1985-6, ABS, p. 21.

	'69	'70	'71	'72	'73	'74	'75	'76	'77	'80	'85	'91
US	3.4	4.8	5.8	5.5	4.8	5.5	8.3	7.6	6.9	7.0	7.2	6.7
UK	3.0	3.1	3.9	4.3	3.3	3.1	4.6	6.0	6.4	6.9	11.6	8.3
Canada	4.4	5.6	6.1	6.2	5.5	5.3	6.9	7.1	8.0	7.4	10.5	10.3
Austral	1.8	1.6	1.9	2.6	2.3	2,6	4.8	4.7	5.6	6.0	8.2	9.6
NZ	-	-	-	0.5	0.2	0.1	0.3	0.4	0.6	2.7	3.6	10.3

Table 4: Standardized unemployment rates in the U.K., the U.S.A., Canada, Australia, and New Zealand. Source: OECD, *Economic Outlook,* No. 51, June 1992, pp. 191, 193.

(5) New Zealand's agricultural Fordism:

Drawing on Wilkes (1993 and Roper (1993) we can begin to outline contours of New Zealand's post-war economic development. On the basis of economic indicators and the style of governance we can distinguish five periods in the post-war era. Firstly, Fordism established itself during the war years (1935-1946). For New Zealand this meant a strong and interventionist state. This was a period of reform, and included the state's control over prices and wages, commitment to equal opportunity for Maori, control over the banking system, imports-replacing industrialization, and introduction of health, education, and housing provisions.

Secondly, Fordism was further consolidated in the period 1949-1967. This was a period of economic expansion, driven by the strong demand for primary produce in Europe, and especially the United Kingdom, and by the demands of the Korean War (Wilkes, 1993). However, like Australia and Canada, New Zealand's economy is vitally dependent on primary commodity prices. The major commodity groups include meat, especially lamb, butter, cheese, wool, casein, and pulp and paper products.[25] During this period, the economic growth, which averaged about 4.5% of the GDP per annum, was interrupted in 1958 when the export prices collapsed, and more or less remained depressed after 1962 when Great Britain, the traditional destination of the New Zealand exports, began to reorient itself towards the European Common Market.

The third period (1967-1974) signifies the collapse of the Fordist settlement. For Wilkes, this was a period of undoing the three central agreements which underpinned the Fordist consensus: full employment, cult of domesticity, and the assimilation policy towards Maori. Wilkes considers this period to extend to 1984, the year of the state's reorientation towards neo-classical economics. However, Roper (1993) makes a good argument for using 1974 as a crucial turning point for the New Zealand economy. Indeed, there appears to be a general consensus that the long post-war boom, characterized by sustained economic growth, full employment, high levels of profitability, low inflation, rising real wages, and absence of prolonged balance of payments problems had come to an end by 1973 (Roper, 1993). In fact, in 1974 New Zealand encountered the first huge current account deficit of some $1.5 billion, or 11.2% of the GDP.

The fourth period (1974-85) marks the beginning of a protracted economic crisis. That 1974 was a turning point in the New Zealand's economic performance becomes evident from a cursory look at Table 7. As the Table 7 reveals, all key economic indicators show a marked decline. Yet what is important is how we interpret these indicators. Our understanding of the turn of events in New Zealand might have implications for how we understand the path towards an economic recovery in New Zealand, but, ultimately, also in the world economic system. The New Zealand Treasury, whose view has become basically unchallenged in the fifth period (1985-93), identified several significant factors that contributed to the economic collapse in New Zealand. These include, quite clearly, the adverse terms of trade and the current account deficit. The second negative factor was diminished access to the British market, as a consequence of Great Britain joining the

[25]See OECD, *Economic Surveys, New Zealand,* April, 1975, p. 94.

European Community. The third factor was the combined effect of the 1973-74 oil shock and the collapse of commodity prices. Clearly, New Zealand was in the same boat as Australia, as import prices rose relative to export prices. At the same time, the new Zealand Treasury argued that the export range was far too narrow. Unlike Australia, New Zealand has no mineral resources to export, for example. And when in the 1970s, because of the loss of the British produce market, New Zealand couldn't sell its "butter mountain", this did have severe consequences for its trade balance.

There are, of course, many problems associated with trying to explain New Zealand's economic crisis in terms of its trading deficit and a poor choice of export commodities. For one thing, such explanation fails to clarify why other advanced and largely diversified capitalist countries have shared New Zealand's experience in the decline in growth rates and profitability after 1973 (see Table 8). Roper (Ibid.) in fact argues that growth rates in New Zealand would have declined regardless of its performance in terms of trade figures. But the analysis of the monetarist approach advocated by the New Zealand Treasury merits a separate space and we will deal with it in the next chapter. Let it suffice here to state that the New Zealand's economic predicament in the period after 1973 was produced, in a significant way, by the economic crisis in the core Fordist countries. Yet this is not to entirely abdicate the responsibility for macro-economic management by the central government; that is, to the extent that, for example, in New Zealand, we can make the connection between economic indicators and the Keynesian (e.g., 1975-85) and neo-liberal (1986-93) paradigms of economic policy-making (see Table 7). As Table 7 shows, except for the Current Accounts figure, under the Keynesian management the growth was still higher, and inflation and unemployment lower than under the neo-liberal management after 1985. But it was particularly the sharp rise in unemployment (10.3% in 1991)[26] which caused the grave social consequences of structural adjustment in New Zealand.[27] What needs to be emphasized is that the figure 10.3% does not quite reflect the gravity of the situation. By the OECD's own admission,[28] there are three factors which tend to distort the unemployment picture in New Zealand. Firstly, the female participation in the workforce is lower than in other countries, and this tends to keep lower unemployment rates. Secondly, the bulk of economic output comes from the agricultural sector which is based on the family unit operation. This structural characteristic tends to reduce the impact of output fluctuations on unemployment. Finally, the share of part-time workers (who do not qualify for unemployment benefits) in the labour force is relatively large in new Zealand, yet the part-time unemployment doesn't show in the overall figure.

Finally, then, the 1986-93 period witnessed a resurrection of monetarism in New Zealand's economic policy-making. As in Australia, Canada, and the U.K., the agency responsible for re-introducing economic liberalism into policy-making was its traditional chief advocate, the Treasury. In their view, the economy is considered to be self-righting; that is, the less governmental intervention there is, the better. Treasury identified Keynesian policies during the post-war era as responsible for New Zealand's failure to realize its full growth potential prior to 1974, and further exacerbated the difficulties associated with the structural adjustment during the turbulent years after 1974. Its remedies involved: a monetarist disinflationary macroeconomic strategy, a comprehensive program of market liberalization, and a fundamental restructuring of the welfare state (Roper,1993). But this brings us already to the next chapter which deals specifically with the transition to post-Keynesianism and post-Fordism. But before we get there, a few words are required to help us make the connection between the Fordist "way of life" and the role of schooling and education in general. And also we need to pull together the overall picture of the Fordist

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[26]OECD, *Economic Outlook*, No. 51, June, 1992, Table R 19, p. 193.
[27]Murry Dobbin, "The New Zealand Experience." CBC tapes.
[28]OECD, *Economic Surveys, New Zealand*, April, 1975, p 18.

and Keynesian implications for the countries under consideration. Let us deal with the second task first.

		NZ	AUS	CND	UK
Agriculture	1955	21.8	16.4	9.4	4.8
	1965	15.9	12.1	5.8	3.2
	1972	14.2	6.9	4.1	2.8
Manufacture	1955	21.6	28.0	27.9	36.7
	1965	21.9	28.0	26.1	33.1
	1972	24.0	25.7	23.1	30.3
Services	1955	45.8	43.5	49.9	46.8
	1965	51.7	47.0	55.0	51.7
	1972	51.2	52.7	60.2	56.1

Table 5: Gross domestic product by sector.
Source: OECD Economic Surveys, New Zealand, April 1975, p. 9.

	1955-60	1960-65	1965-70	1970-73	1955-73
Australia	4.3	4.6	5.7	4.8	4.7
Canada	3.4	5.7	4.8	6.0	5.1
New Zealand	4.0	4.9	3.0	4.6	4.1
UK	2.7	3.2	2.1	3.0	2.8

Table 6: GDP growth in selected countries.
Source: OECD Economic Surveys, New Zealand, April 1975, p. 9.

Period	Real GDP	CPI infl.	Unempl.	Current Acc.
1946-67	4.5		0.1	
1967-73	4.0		0.33	+49[1]
pre-1974	4.0	5.46	0.17	-1.3
1974-85	1.79	2.51	2.51	-6.05
1986-93	0.48	7.3	9.9	-3.44

[1] Indicates an average surplus of $49 mil., but this is chiefly due to the Current Account recovery in 1972 and 1973.

Table 7: Periodization of the New Zealand's post-war economic performance (%).
Source: *OECD Economic Surveys, New Zealand,* April 1975, p. 9, and Roper (1993), p. 2.

Period	US	Europe	Japan	OECD
1960-73	4.0	4.7	9.6	4.8
1974-89	2.6	2.2	3.9	2.7

Table 8: Economic slow-down in terms of average annual growth rates (%). Source: Roper, 1993, p. 3.

(6) Keynesianism and Fordism: a brief overview.

Firstly, the above analysis clearly suggests that it is valid to interpret the post-Great-Depression years, the war period, and the post-war developments in the U.S.A., the U.K., Canada, Australia, and New Zealand in terms of one totalizing socio-economic system. At the same time what needs to be emphasized is that each country has adopted its own unique way of inserting itself into the global Fordist regime of production. It is thus, strictly speaking, in this sense that countries such as Australia or New Zealand might be considered Fordist, rather than in the sense that they have developed an economy based on mass manufacture of consumer goods. Furthermore, the key feature that unified the

Fordist-Keynesian paradigm was the general tendency of the central governments, albeit with a varying emphasis, to apply a combination of monetary and fiscal policies, on the one hand, and compensatory social policies, on the other, both aimed at maintaining a balance between mass production (either in manufacturing or agriculture and mining) and mass consumption.

Secondly, Hall's (1989) point that implementation of Keynesianism required specific conditions (i.e., economic, political, and administrative viability) is an important one. As we have seen, the "customized" versions of Fordism-Keynesianism did develop through historically specific struggles. The outcome of these struggles was determined to a large extent by the role of the trade union movement, but other factors, such as the country's comparative advantage, also played an important part. At the same time, the role traditionally ascribed to the state, and the positioning of other major actors, such as the Treasury, or the corporate interests, had also impacted on the production rules of public policy in a major way.

Thirdly, the tendency to see the demise of Fordism-Keynesianism essentially as a consequence of an inappropriate "meddling" of the state in the private business of corporations and in the disproportionate growth of public sector, as the neo-liberal view insists, fails to account for the tendency of profits to fall. By 1974, both the rate of accumulation and profit rates began to sharply decline (van der Pijl, 1984: 282. Harvey, 1989: 143). And even though there is some empirical evidence which suggests that trade union militancy succeeded in increasing its share of the national incomes in the 1970s, the critical cause of the collapse of Fordism lays elsewhere. The crisis tendency can be located in the battle of individual firms aiming at maximizing their profits; that is, it can be located in the competitive cycle of innovation-universalization of innovation (Offe, 1975). More specifically, what has occurred during the post-war boom was that increases in productivity were maintained overall chiefly through productivity increases in Department I (production of the means of production). However, since about the 1950s (Fine, 1989, Mandel, 1970, Roper, 1993) the ratio of the organic composition of capital (i.e., constant to variable capital) began to rise, and, at the same time, the surplus value[29] failed to keep pace with the rise in the organic composition of capital. Consequently the rate of profits began to fall. In other words, the failure of Fordism is inscribed in the very structure of capitalist enterprise, as competition drives firms to increase their capital investment, thus increasing the ratio of organic capital, and shrinking investment in the variable capital where the surplus value is generated. At the same time, increasing the surplus value by cheapening labour provides no solution either, as the consumer power and demand for goods and services are thus considerably weakened.

Finally, the cycle spanning from pre-Great-Depression economic liberalism, with its emphasis on free markets and structural efficiency (see Callahan, 1962), and ultimately resulting in the economic crisis of the 1930s, through Keynesianism and its collapse in the 1970s, to the renaissance of economic liberalism (or neo-liberalism) in the 1980s with its refurbished but basically same tools of free market despotism (Buravoy, 1985) and the cult of presumed effectiveness and efficiency, with a major social and economic disaster looming on the horizon, once again ineluctably associated with economic liberalism and the ideology of efficiency, offers us a sobering picture of a paradox when history strides to repeat itself under the aegis of the so called progress.

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[29] The surplus value is basically derived from the variable capital. The argument is that in the 1960s, the surplus value was disproportionately high to the wages paid to reproduce labour, whereas in the 1970s labour suceeded in increasing its share of the surplus value, thus lowering the amount of the surplus value available to capital.

3.3. Fordist education.

> As individuals express their life, so they are. What they are, therefore, coincides with their production, both with what they produce and how they produce. The nature of individuals thus depends on the material conditions determining their production (Marx, 1947: 7).

One might disagree with Marx's seeming determinism. Yet, for Marx the process of production is always an outcome of both individual and class struggles. Nothing in it is, therefore, predetermined. And even though these struggles are overtly taking place in the economic and political spheres--i.e., they are struggles over the conditions of production, control of resources, and distribution of wealth--they are, at the same time, underscored by the human species' struggle to extend their (our) yet unrealized potential. There is thus an implicit tension within the labour process which is expressive of a fundamental contradiction between social conservatism and a desire for change. Yet this basic contradiction is further made more complex by regressive social forces, which locate their *raison d'être* in the past, which is characterized by a historically earlier state of the species' self-understanding. Today, for example, the regressive struggles of the New Right are also promoted under the guise of "social change". In the most basic sense, then, the struggles over production and distribution are struggles between the past, the present, and the future. These struggles then implicate each one of us, whether we might be teachers, students, administrators, or workers in any other field. The important question is: To what extent are these struggles determined by structures exogenous to human agency (i.e., by economic imperatives), and, for our present purpose, especially as they are played out through schooling, by the existing and emerging institutions responsible for the production of educational policy? And. furthermore, as Giddens (1984) argues, because structures are both constricting and enabling, in what way might the emerging structure discriminate in favour of specific human agents in terms of constraints and enabling? How exactly were/are the old/new production rules of educational policy selective? We will deal in detail with these questions in the "structural adjustment" chapter. But here we are interested in the relationship between how men and women think about themselves and the sort of work they do. And in how under Fordism this relationship between the workplace and the workers' mind might have been promoted through a managed socialization in our schools.

Bowles and Gintis (1976) have argued that the relationship between economic requirements and the role of schooling is best explained in terms of a *correspondence principle*. They argue that the social relations of production are being reproduced through a specific provision of schooling which corresponds to the socio-economic background of its students. Jean Anyon (1980) identifies in her research four types of schools which presumably correspond to the class-specific, socio-economic background of their students: the working class, middle class, affluent professional, and elite executive schools. In so far as these observations describe social phenomena, we believe they are essentially correct. Yet a basic problem arises when we attempt to seek the actual causes of these phenomena. How, in a democracy, could we have an educational structure emerging which would practically work against the interest of the people who put it in place? And if we ask teachers, they certainly would call such an idea quite preposterous (Cole, 1988). Clearly, if Bowles and Gintis' claim were the case, then the process of democracy surely must be an elaborate charade, whereby our beliefs and understanding of our system of governance are radically separate from the actual political processes. Alternatively, given that their description of social phenomena is correct, then the mechanism through which our society reproduces itself must be more complex than Bowles and Gintis would have it.

We have suggested above that the maintenance of and changes to the educational provision tend to result from struggles between public voices whose motives and interests

are underscored by one of the three fundamental orientations: regression, conservation, progress.[30] During The Keynesian social-democratic system of governance, these often contradictory interests met on the discursive terrain provided and mediated by the state. The role of the state then would seem of some importance, as it is through the state that the production rules of public and educational policies are developed and practiced. It has been our argument that under Keynesianism the trade union movement succeeded in institutionalizing their welfare interests through specific institutional structures. This involved the right to collective bargaining, the right to strike, the role of arbitration tribunals, and so on. Our point is that the relationship between the workplace and the school has thus been an interactive one. In other words, it is not only the case that the political sphere might determine, in a positive sense, the type of skills and attitudes schools should foster and promote, but the workplace itself, through struggles specific to the industrial (and other workplace) environment might impact on the type of political framework within which the production rules of educational policy might be conceptualized.

Let us exemplify what we mean. Van der Pijl (1984) argues that American hegemony, its industrial practices and its anti-communist politics, became widely accepted in Europe both at the working class and bourgeois levels in the early 1950s. However, at the subsequent stage, "'America's power and purpose' became a liability to the corporate liberal bourgeoisie in Europe" (Ibid.: 215). Americanization and Fordism in Europe have created conditions of high organic composition of capital (i.e., a higher ratio between capital investment and wages paid), and the workplace was correspondingly restructured. But unlike in the U.S., where these changes resulted in the rise of professional engineers, in Europe they resulted in the formation of a "new working class." The emphasis there was on middle-level technicians and skilled craftsmen.[31] At the same time, more autonomous responsibilities of the new workers required new management techniques. It is, of course, problematic to argue that these developments might have constituted conditions for the emergence of a more democratic workplace, especially as there is also evidence which suggests that capital succeeded in re-appropriating the informal relations among these workers. But what is of interest to us here are the salient differences between the U.S. and the European industrial practices, and how they influenced the political framework of resolving the antagonism between capital and the working class. In the U.S., the number of new-type workers remained low, and consequently a little recomposition of the working class took place there. At the same time, a relatively high social mobility tended to diffuse the conflict between social classes. In other words, in the U.S. the working-class politics had not changed in the 1960s. In Europe, on the other hand, the new working class had grown significantly, helping, at the same time, to redefine class structures themselves. "The rise of the new labour process and the spread of technocratic ideology nurtured a new current within the workers' movements, and Social Democracy in particular" (Ibid.: 216). This left-liberal reorientation of the trade union movement in Europe resulted in a distinctly European style of governance represented by Willy Brandt and Francois Mitterand. No such developments took place in the U.S.

The extent that schools indeed do reflect the broader characteristics of a society, with its hierarchical divisions and contradictory interests, would suggest that educational settlements under different Fordist practices and different Keynesian compromises (both resulting from preceding struggles) would tend to reflect such differences. Thus, if we were to accept the correspondence principle thesis in its entirety, what we might expect to find in the type of schools emerging, say in the U.S. or in New Zealand, would be an

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[30]These categories, of course, are problematic. Within the present contex they describe self-awareness of human agents and their relative location on the continuum between false consciousness and ideal speech situation.

[31]Cf., Piore and Sabel (1984) argument about multinational Keynesianism, industrial democracy, and the role of skilled craftsmen.

emphasis on industrial skills in the U.S. and agricultural skills in New Zealand. In other words, we should expect to find in the school curriculum a positive correspondence (Fritzel, 1987) between student outcomes and the workplace, or, in Dale's (1989) terms, only those skills and attitudes which are directly functional to a specific version of Fordism. Yet there appears no evidence to suggest that in the 1950s and 1960s the state actively sought to promote such positive correspondence. In fact, in the case of New Zealand, the OECD (1982) review of New Zealand education found that

> 'to the extent greater than in some OECD countries the parents, citizens, employees and workers ...appear to be reasonably well pleased with what is done for them in schools, colleges and universities.' They found a high degree of professionalism displayed by administrators and teachers , with 'those who run education in New Zealand dedicated to use their knowledge and capacity to enhance progress...' (Dale, 1994: 68-9).

Furthermore, given the vast diversity of skills required in different industrial or commercial sectors, schools would have a difficult time pleasing all employers.

For reasons outlined above, rather than seeking to establish a positive correspondence between the Fordist workplace and the skills and attitudes produced through schooling we might consider the possibility that the complementarity between the two was assured through the mechanism of exclusion. Fritzell (1987: 30) defines such exclusion in terms of negative correspondence. This concerns "functional contribution by means of the *exclusion* of critical tendencies and the prevention from destructive developments with regards to [social reproduction]." Dale (1989: 46) similarly argues that "not everything that goes on in schools can be related ...to supporting capitalism," but rather that the function is to exclude "threats to capitalism in schooling" (Ibid.).

In the above sense, then, Fordist education had to fulfill several functions. These included a support for the expanding industrial and administrative sectors, and for the expansion of the educational system itself (Carnoy, 1985), but it also fulfilled a legitimating function through the ideology of meritocracy and upward social mobility. And to the extent that capitalist expansion was dependent on social-democratic practices--that is, on giving workers some voice--the social-democratic principles had to find their place in the school curriculum, too. And it was precisely the salient contradiction between the ideal of social-democratic and a clearly more collective form of governance, on the one hand, and the unequal, hierarchical, and ostensibly private form of workplace subordination, which by the time Fordism exhausted itself, became dysfunctional not only to the terminal throbbing of Fordism, but, more importantly, to the emerging forms of post-Fordist relations of production, and this will have consequences for the educational settlement which will replace the Keynesian one.

Carnoy (1985) identifies three basic areas of contradictions in schooling: resource allocation, educational process, reproductive process. We would argue that any educational system under capitalism can sustain its functionality to the reproduction of capitalist relations of production only when very specific conditions prevail. Firstly, with respect to allocation of resources, the state must be able to appropriate sufficient resources from the accumulation process, but without jeopardizing successful accumulation. At the same time such spending must be seen by capital as useful to its interests. Secondly, the issues of democratic participation, social equity, social mobility, and the promise of fostering individual intellectual and cultural development of students performed primarily a legitimating role. Under such promises, workers suspended their political struggles for emancipation, and accepted the class compromise which seemingly offered an achievement of such goals through actions of social-democratic parliaments (Albo, 1994). Furthermore, because some of these goals were clearly contradictory to capital's interests, the governance of educational systems, if they were to gain legitimacy for the overall system of governance, had to be autonomous from the direct control of capitalist firms. Finally, the success of the reproductive process is largely conditioned on a historically unique blend of

lifeworld and economic/administrative system interests (Soucek, 1993). By this we mean that each historical period tends to define its own criteria and levels of tolerance or determination of just to what extent the balance between the lifeworld or system interests might be altered. In educational policy this shows as a conflict between general and vocational education. In other words, too much anti-capitalist socialization might become dysfunctional to the systemic reproduction, and too little presence of lifeworld interests might result in increased alienation of students and teachers, and ultimately in a breakdown of the society.

By the late 1970s, the objective conditions that sustained Fordism and its corresponding system of schooling no longer prevailed. Fiscal crisis experienced by most states made continued levels of spending on education difficult. Educational costs were increasingly perceived by capital as unjustified. This was due to several factors. The rate of profits kept falling, and capital, therefore, became increasingly reluctant to give up a part of its profits (i.e., the surplus value). But also there began to emerge evidence of overeducation and its dysfunction to the role of workers in the workplace (Carnoy, 1985). In other words, the skills identified by employers were not being produced by the expansionist Fordist educational system. Capitalists were not getting value for "their" money. But, perhaps, more importantly, the workers began to be dissatisfied with the *status quo*, too. For one thing, the promise of social mobility and social equity did not materialize, and by the 1980s even those gains achieved under Fordism-Keynesianism began to slip away. As Boudon puts it:

> ...expansion of educational opportunity does not bring about a reduction in that distinct and essential form of inequality which is the inequality of social opportunity...the principle effect in the increased demand for education appears to be one of requiring the individual to spend more time to realize social aspirations, which themselves have remained unchanged (1977: 195).

Fordist education then represented a historically specific compromise between regressive, conservative, and progressive forces. For a time it remained functional to capital accumulation, having gained its legitimacy through the promise of guaranteed welfare, equity, and social mobility. Unlike differentiated types of Fordist production, which were driven by such factors as comparative advantage or historically determined positioning of major social actors, the educational systems themselves tended to evolve along the contradictory trajectory informed by principles of democratic citizenship and skills development functional to capital accumulation. However, by the 1970s and certainly by the 1980s, the protracted economic crises resulted in a change of the objective conditions which underpinned the Fordist-Keynesian educational settlement. In the next chapter we would like to examine in more detail the ways in which these objective conditions helped usher in the emergent post-Fordist regime of accumulation.

4
FORDISM: ITS CRISIS AND CONTRADICTIONS

Introduction.

It is generally agreed that the 1970s mark a significant turning point in the history of late capitalism (Lipietz, 1992a,b, 1994; Harvey, 1989). In the preceding chapter we have argued that the implementation and world-wide extension of the Fordist-Keynesian regime of accumulation has taken a route delimited (but not necessarily determined in the strict sense of that word) by regional economic capacities, political struggles, and the state's capacity to mediate often contradictory claims from within the supply and demand sides of the economy. At the nation-state level, the accommodation of these processes within a wider, global economic regime of accumulation translated as a search for a *comparative advantage* for each national economy. At the same time, we should note that the tendency towards globalization of production had begun to grow significantly as early as the 1950s (Lipietz, 1992; Bernard, 1994). And as it will hopefully become clear in the discussion below, the cumulative effect of the globalization of production will have a salient contributing impact on the eventual collapse of Fordism-Keynesianism.

However, to stay for the time being with Fordism, we have noted that because of the regional disparities, the Fordist-Keynesian settlement in each country we have looked at evolved along a different trajectory. The crucial causal factor we would single out here is the role played in this respect by the trade union movement. Yet we would hasten to add that the significance of the trade union tradition, its involvement, for example, in the management decisions, as important as it was under the Fordist-Keynesian settlement, had acquired an outmost significance at the time of re-negotiating a new, post-Fordist (Jessop 1992, Bernard, 1994) or after-Fordist (Tickell and Peck, 1995) settlement. Thus, for example, under Fordism the trade union movement in Australia was able to ensure its share of the national wealth at the point of production. But so were the German or the Japanese workers. What was different in Germany and Japan[32] was that in their own peculiar ways the workers in these countries were integrated into management structures and thus were able to affect the decisions about future developments, especially with regard to the 1980s restructuring of the workplace.

In Australia such integration has not taken place. The Australian trade union movement (Australian Council of Trade Unions [ACTU]) was well aware of this deficiency and organized a fact-finding mission to the Scandinavian countries in 1986 to learn first hand about the Scandinavian experience of industrial relations and practices. The document *Australia Reconstructed: A Report by the Mission members of the ACTU* (1987) was the result. Citing the findings of the Vernon Report more than 20 years prior, the ACTU

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[32]It is, nevertheless, important to note that the German and Japanese models of worker integration are radically different. In Germany, the emphasis is on a democratic-participative mode of integration (at least where the core workforce is concerned, see Mahnkopf, 1992, Kern and Schumann, 1984, 1987), whereas in Japan the trade union movement tends to remain subservient to the managerial interests (see Dohse et al., 1985).

document claimed that inadequate skill formation, inadequate job placement and labour market services, as well as segmentation of the labour market were problems to be reckoned with. It observed:

> Australia's future economic competitiveness will depend largely on how successful we are in creating advantages based on our ability to exploit up-to-date knowledge and skill-intensive products and processes. Success, in a world of rapidly changing technologies, will require a constant effort to acquire and develop state-of-the-art skills (ACTU/TDC, 1987: 118).

Curtain (1987) similarly observes that Australian firms tend to rely too much on external labour markets for the provision of new skills rather than opting to develop their own training programs to upgrade the skills of its own workforce. However, since the tabling of *Australia Reconstructed*, the Australian federal government has given a considerable attention to skill formation, skill upgrading, and skill recognition at all levels of education, training and employment.[33] The two key issues that have emerged out the ACTU's initiative then are those of *worker participation* and *skill formation*.

It is clearly not incidental that Kern and Schumann (1984, 1987), in their analysis of the workplace implementation of the new production concepts, emphasize the need for the trade union movement "to seize opportunities" offered by the latest developments in the technology of production and press firms for comprehensive agreements on training and the quality of work life. Their argument is underscored by the claim that any successful firm will increasingly depend on workers' voluntary cooperation with the management, as worker efficiency is now derived not from a strict managerial supervision of the workers, but "is made up by reflection, prudent and critical detachment, being prepared for unexpected, having sufficient confidence to become directly engaged in the labour process, and independence" (Kern and Schumann, 1984: 66). In other words, Kern and Schumann can see in the new production concepts a real potential for worker empowerment.

This said, there are many weaknesses in their argument. Their problem is that they conceptualize the new production concepts without locating them on the political-economic landscape of increased global competitiveness. They ignore the fact that these production concepts are themselves a production of the contradictions of the capitalist mode of production, and that they do not even begin to address those contradictions, as we have discussed them above. Campbell (1989) identifies several key problematic areas in Kern and Schumann's argument. Firstly, the claims for higher skill requirements are often illusory or temporary. Even in Germany, there is no evidence of systematic training for new jobs, which mostly consist in job enlargement--that is, knowing less about more. Furthermore, the workers' knowledge presumed to be so important to the firm is typically used to "debug" new production technology. Secondly, the presumed multiskilling and higher skill requirements concern only the core workforce in the key industries of car manufacture, metal work, and chemical industry. Pollert (1991) argues in the U.K. context that only about 5% of all workforce might be affected by the multi-skilling and high skills requirements. Thirdly, in their analysis, Kern and Schumann neglect several important dimensions of work experience. These include task autonomy, social interaction, and intensification of work. On all accounts, in their analysis of the Toyota production system, Dohse et al. note that the *celebrated* task autonomy (as understood by the advocates of the new production concepts [see Piore and Sabel, 1984, Mathews, 1989]) is largely illusory, that integral to the new production concepts is a complete break down of social interaction among workers, and that the work is greatly intensified. A particularly chilling example of labour intensification is illustrated in the following account: "Typically they provide manpower at only 97% of the line rate. The other 3% is made up by 'extra effort'" (Ibid.: 130).

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[33]See, for example, Carmichael, 1992, Finn, 1991).

Looking at the developments in worker participation in the U.K., MacInnes (1985) also concludes that such practices are largely irrelevant, as they tend to be perceived by the management as potentially eroding managerial authority. The prospect of putting new production concepts into practice in the British industrial workplace is then even less bright than in Germany or Sweden, the two countries with a long tradition of workplace democracy (see OECD, 1989; Mahnkopf, 1991). The other two countries, Canada and the U.S.A. , unlike the U.K. or Australia, where political struggles laid the basis of a strong trade union movement prior to the transition from competitive to monopoly capitalism, failed to produce a strong working class precisely because their struggles were largely confined to economic well-being, rather than to political rights (Burawoy, 1985; Roberts and Bullen, 1984; McBride and Shields, 1993).

In fact, industrial relations in all English speaking countries can be characterized by fundamental antagonism. The trade union goals and purpose tend typically to be defined in terms of "bread and butter" unionism, with no concern for issues of worker participation or with broader social and political implications of workplace organization (Thompson, 1987; Wheeler, 1987; Walsh, 1993; Burawoy,1985). This fundamental lack of integration into the decision-making processes on the shop-floor level will prove detrimental to the workers' interests under the new post-Fordist regime of production. Thus Kern and Schumann (1984) urge the trade union movement in no uncertain terms to seize the opportunities offered to them by the emergence of the new production concepts to counteract the danger of further subordination of the workers to the managerial domination. This realization, too, was behind what had driven the ACTU's mission to Scandinavia. What also needs to be noted here, however, is Kern and Schumann's own admission that even in industrially developed Germany the new production concepts will affect only a small proportion of the workforce. And it will be only this select core group of workers who might enjoy the presumed privileges associated with the new production concepts. The bulk of workers will be left out in the peripheral "cold". Furthermore, this strategy, described by Kern and Schumann (1984: 54) as "competition for the role of work as a mode of expression for meaningful life" is itself fraught with fundamental tensions. Similarly, Lipietz (1994) singles out the Volvo plant in Kalmar as a paradigmatic industrial organization which offers workers the possibility to "seize the opportunities" for controlling their own work-space and for reuniting the functions of conception and execution of work tasks. Yet as Albo (1994: 168) points out:

> the Volvo plant is closing and the post-Fordist future of full employment in high value-added export oriented firms now looks like one of the most pot-holed detours taken by the left in the 1980s.

What we can see is that it is not the Anglo-American countries who are converting to Swedish or German models based on worker participation, but Germany and Sweden who are adopting the Anglo-American competitive austerity model of income and work polarization.

But if post-Fordism (or flexible specialization for some; see Hirst and Zeitlin, 1991) is not able to resolve the crisis of Fordism (and by extension the crisis of capitalism), contrary to claims made by its proponents (see Mathews, 1989a,b, Mathews et al., 1988; Florida, 1991; Kenney and Florida, 1988, 1989), two questions must immediately arise: first, what needs to be done to address the conditions responsible for the crisis, and, second, if for whatever reason we might remain *stuck* with hyper-liberalism, what might be the implications for our society, and for our education?

We can, therefore, locate the central tension in the current restructuring of the global relations of production in the contradiction between what post-Fordism claims to be able to do and between the reality which prevents it from achieving those goals. The other, and no less significant tension emerges from the contradiction between the ideological discourse of free marketers in the political sphere, and the practical problems with free markets in the

sphere of production, problems which force governments to actually govern (Burchell, 1994). The former is a battle waged under the banner of neo-liberalism and argues that a small, *laissez-faire* government is needed to guarantee flexibility for individual firms to adjust to the emerging global economic system; the latter signifies the reality that a deregulated market can be destabilizing, with particular reference to the deregulation of financial markets, which, when unregulated, tend to undermine the virtuous circle of open trade and crowd out production (Cerny, 1994). Post-Fordism and neo-liberalism then represent two imaginary ideal-type aspects of the emerging post-Keynesian and post-Fordist settlement. Our argument is that, as solutions to the crisis of capitalism, they are not conceptually adequate to tackle the contradictions inscribed in their claims vis-a-vis economic and social reality. In particular, the claim to social justice being best allocated through the mechanism of the market, or the promise of workers empowerment are simply untrue. As such, the neo-liberal/post-Fordist argument promotes a vision of the oppressors for the oppressed (Clarke, 1990). In this respect, nothing in the way capitalism under a post-Fordist accumulation regime works has then changed. And there certainly is some evidence to support Wallerstein's claim that:

> if a group were to seek to change everything so that nothing changes, the place for it to position itself would be within the [reformist] movements themselves (Wallerstein, 1988: 81).

This, in fact, is what has happened in the 1970s and 1980s. It was the global capitalist elite which spearheaded the offensive of structural adjustments in all aspects of our social, political, and economic lives. What has not changed is the pattern of distribution of the surplus value, which in capitalism has traditionally favored the bourgeoisie and the managerial class. The new political-economic arrangements still achieve that, and, perhaps, even more efficiently. In this we agree with Wallerstein. However, the claim that, for example, flexibility in the workplace and in the overall organizational pattern of interlinking among firms is largely imaginary (Pollert, 1991) needs to be challenged, as the cumulative evidence does suggest the opposite is the case (Harvey, 1989; Reich, 1991).

This chapter will address the above concerns. To do so, we will first address the crisis of Fordism. But to be able to offer an informed critique of post-Fordism, we need first to understand the nature of contradictions responsible for the demise of Fordism. Secondly, we will discuss Post-Fordism as an ideal type. Our task in this respect will be to identify the contradictions carried over from Fordism and to challenge some of the fallacies underpinning the post-Fordist argument. Thirdly, we will examine the way in which the Post-Fordist strategy altered the role played by the state. Fourthly, we will examine how the process of structural adjustment in the workplace impacted on the composition of the labour market. And, finally, we will examine the relationship between post-Fordist skill requirements and the role of education under the new, emerging regime of accumulation.

4.1. Crisis of Fordism

In Chapter Two we have seen how the Keynesian state was able to create conditions for capital accumulation during the post-war economic boom. This was done chiefly through the management of the demand side of the economy. At the same time, capital was able to sustain reasonably high rates of profit till about 1970 (see Harvey, 1989). After that, the rate of profit began to decline, and the Keynesian demand-management stabilizing policies began to be questioned. We have seen that the task of Keynesianism was to stabilize the Fordist regime of accumulation by distributing the national wealth in a way that would satisfy both the workers and the capital. This was achieved through collective bargaining procedures and through the social wage. As suggested above, by the 1970s, the state was no longer able to affect such distribution. The question then arises: What has

changed that has rendered the Keynesian demand-management incapable of sustaining capital accumulation?

In answering this question, we would like to bring together two analytically separate categories underpinning the debate about the crisis of Fordism: the assumptions about human nature, on the one hand, and the reality of capitalist markets, the competitive pressures, and the consequences of these for the workers, on the other. Furthermore, our purpose will be to identify the contradictions which in the final analysis brought the Keynesian-Fordist settlement to an end. In our attempt to grasp the totality of the conditions that marked the collapse of Fordism, we will also need to examine the mutually interactive relation between the push for trade liberalization, rising need for international finance, the emergence of the Euromarket in currency trading, technological innovation. and the combined pressure of the above for further deregulation of the financial markets. But let us first fix our gaze on the conflict between human nature and the capitalist imperative of competitiveness.

(1) Human nature.

Firstly, the question of human nature. Our understanding of human nature derives from humanist psychology represented, among others, by the Frankfurt school, and namely by Fromm (1961, 1991), Marcuse (1973), and Habermas (1979). What is of a particular interest to us is the relationship between human identity, as interpreted by the individual and by the society at different historical conjunctions, and the social relations of production. In the traditional Marxist analysis, individual identities are articulated through social relations of production.

We have no particular difficulty with the claim that human identities are shaped by the work people do and by the social environment to which they belong as a consequence of their socio-economic background. Yet Marx's model does not appear to allow a space for human agency to interact with the system of production to alter the social relations of production in a way responsive more to the human needs than to the functional requirements of the system of production. Conversely, of course, even if the process of social reproduction might be aligned more closely with the structural requirements of the economic-administrative system, there still needs to be some involvement of the human agency to effect such structural adjustments. In other words, Marx's reproductive model is far too deterministic. The evidence of social movements, for example, bears witness that human concerns might originate and extend beyond the sphere of production. In this sense, human agency might be able to shape and articulate the conditions of production. This is the important point raised by regulation theorists, in that they argue that in a complex society any productive activity needs some form of regulation, and that, at the same time, such regulation needs to be articulated discursively (Jessop, 1983; Laclau and Mouffe, 1985). That is, it is not a simple matter of connecting the needs of industrial production or commercial activities with the institutions of social reproduction. The specific mode of social regulation (MSR) is not imposed by some divine act or by the economic system itself, but, as we have seen in the previous chapter, rather is a result of complex social, economic, and political processes. In other words, the mode of social regulation, depending on how power might be attached to various interest groups in a society, might be equally acceptable to all parties, as was the case under the Keynesian-Fordist MSR. However, as Marcuse (1973) argues, MSR might also be characterized by surplus repression--that is, today the global economy has the capacity to satisfy all basic human needs. Yet because such a project would not be profitable for the holders of accumulated capital, or, alternatively, would require a fundamental rearrangement of the social relations of production, the global capitalist class is not interested in that type of settlement. And unfortunately, it is the might of investment capital that today tends to dictate economic and social policies (see Burawoy, 1985).

Returning to the issue of human nature, Fordism was characterized by being able to satisfy the basic needs of the population--food, clothing, shelter. But the Keynesian

settlement also promoted the expansion of education. Increasingly, educationalists began to press for a more participative form of education, for different forms of assessment, and for an emphasis on a whole-person development. Teachers began to assert professional autonomy, and were granted, as Dale (1982) documents, *licensed autonomy* to practice teaching. The educational enterprise aimed to integrate some aspects of curriculum, and, at least in so far as the progressive educationalists were concerned, the purpose of education was being defined in terms of intellectual autonomy (see Young, 1990; Habermas, 1989). But such intellectual autonomy required a participative pedagogy, whereby students were drawn into "forming validity judgments in actual social situations of unequal power and authority" (Young, 1990: 121). The point we are making is that schools began to promote a unity of conception and execution of educational tasks, thus extending their practice well beyond the notion of formal pedagogy. By formal pedagogy we mean a type of pedagogical relationship where the teacher sets tasks and assesses students' performance, and the students formally learn what is expected of them, without having an opportunity for a critical or formative input into what is being learned. Progressive education in the 1970s then recognized that intellectual autonomy was something that was not static, and that was best developed through students' and citizens' participative self-actualization.

Theoretically, the processes underpinning progressive education were well rehearsed through the work of the Frankfurt school, and most notably by Habermas (1979, 1984). Taking his cue from Kohlberg, Habermas elaborated an additional fourth stage of social, cognitive, and moral development, which he called *argumentative* stage (see Soucek, 1994, 1995). For Habermas, this was not a progression in some essentialist sense. And neither did it imply an emphasis on individualism, as seems to be the case in some contemporary literature (see, for example, Newman, 1995). Stated most succinctly, the argumentative developmental stage involves an achievement of cognitive, linguistic, social/moral, and egological competence or maturity. Habermas' claim is that the competence in these areas is needed in order for human agency to be willing to "expose themselves to criticism" (Habermas, 1984: 18), "to learn from mistakes, from the refutation of hypotheses" (Ibid.), and to "neutralize all motives except that of cooperatively seeking the truth" (Ibid.: 19).

Habermas has been criticized for his insistence on rescuing the ideal of communitarian consensus, and clearly his analysis goes against the relativistic postmodern epistemology. Yet we concur in this respect with Yeatman (1994) who, not unlike Habermas, aims to define *difference* in relation to universal standards of justice. And how else might we begin defining universal standards of justice but through participation in that process of those whose lives are affected by policies and institutional practices underscored by those standards? This was true to some extent of the Keynesian institutions, whereby the working class or the oppressed (see Clarke, 1990) were able to access the state (as a moderator of the class struggle) and make their claims through the institution of collective bargaining or industrial tribunals, for example. But, as Yeatman argues, the urgency of institutionalizing universal standards of justice comes to the fore especially today as the old Keynesian institutions are uprooted and replaced with new agencies, new responsibilities, new processes, but without a corresponding participative debate:

> For when it is accepted that the composition and self-understanding of those who comprise a national society both change and are contested, then policy formation must assume a high degree of explicitness and dialogic accountability (Yeatman, 1994: 253).

The point we are elaborating here is that under Fordism-Keynesianism, there was a broader social realization that our lives were meaningful beyond the issue of production and consumption. True, wealth had first to be produced, but what made us human was not only "what [we] produce and how [we] produce it" (Op. cit.) in a purely instrumental or technical sense, but also how we organized ourselves in the process of doing so. And it is precisely here that the distinction Habermas makes between linguistic competence and

communicative competence is important, as the former requires merely acquiescence with institutional (re-)arrangements but the latter demands participation in the restructuring.

At the most basic level, the primary contradiction of the Keynesian settlement resided in the uneasy partnership between economic factors related to the function of capital accumulation and profits, on the one hand, and the non-economic factors concerned with the issue of the *good life* (i.e., with an "equilibrated interplay of the cognitive with the moral and the aesthetic-practical" [Habermas, 1984: 73]). That is, as Carnoy (1985) argues, the social, cultural, and educational policies under Keynesianism pursued the ideal of the good life, but, at the same time, the imperative of capitalist competition was putting a pressure on individual firms to intensify the pace of work and to increase the size of the surplus value in relation to variable capital. Or to put it another way, the goals pursued by Keynesian education and its cultural institutions were in direct contradiction to the goals pursued by individual firms--critical thinking and intellectual autonomy were unlikely candidates to fit into an increasingly dictatorial workplace. Our task now must be to analyze the relationship between capitalist competition, tendency of the rate of profit to fall, and the consequence of combined pressure exerted by technical innovation and intensification of labour on the relative value of skills.

(2) Capitalist competition, profits, and deskilling.

Since capital accumulation is the key driving force behind capitalism, and since the profit-making--i.e., extracting the surplus value--is the key mechanism for accumulating capital, it might be more than useful to try and *unpack* this issue of the tendency of the rate of profit to fall. Clearly, as capital accumulation cannot happen without profits, we can expect that the economic policies of individual nations will be aiming at ensuring such profitability. Furthermore, it is generally accepted that the state tends to play a key mediating role in the determination of the economic policy (see, for example, Poulantzas, 1973; Miliband, 1983; Torres, 1989). Indeed, in the previous chapter we have seen how the nation-state was instrumental in welding together various coalitions in order to secure its own nation's position within the global Fordist economy. Here we would like to note that in our synthesis, the three major factors--the competition cycle, the tendency of the rate of profit to fall, and the deskilling and devaluation of work skills--have played themselves out against the background of the state intervention. That is, we argue that all economic activity requires some form of regulation (see Tickell and Peck, 1995), and that such regulation is effected through the authority of the state. Under the Keynesian regime, the nation-state provided a legal framework and financial stability for such competition to take place. But it also ensured that an adequate aggregate demand was maintained to stimulate the production side of the economy, and that at the same time adequate profits could be made by the invested capital. This stability was achieved through the mechanism of wage indexing and the social wage. At the international level, the major stabilizing force was provided through the Bretton Woods agreement concluded in 1944. The Bretton Woods agreement was about fixing the exchange rates of member states of the International Monetary Fund (IMF) to the U.S. dollar. This was a new international financial order (*pax americana*), which replaced the defunct gold standard under the previous British hegemony (*pax britanica*). However, by the 1970s the nation-state lost the ability to control the aggregate demand. With the loss of this control, the Fordist-Keynesian settlement was becoming increasingly unworkable, as the national governments were forced to increase their borrowing to counteract their declining revenue as a consequence of a severe and protracted economic depression.

What were the reasons for the failure of the Fordist-Keynesian project? In answering this question, we will address four aspects of Fordism. Firstly, as Fordism is/was a capitalist project, we will look at the possible contradictions inherent in the capitalist mode of production which might have contributed to the post-war settlement becoming dysfunctional to capital accumulation. Secondly, we will specifically consider the impact of capitalist competition on the ratio of organic composition of capital (i.e., a growing ratio of

constant versus variable capital), and, simultaneously, on the rate of profit. As constant capital tends to replace variable capital, some skills are devalued or lost, while a certain amount of reskilling might take place. Nevertheless, changes in the reward structures and in the employment rate impacts directly on the aggregate demand. At the same time, and perhaps more importantly, as Lipietz (1992) argues, the resulting dehumanization of labour results also in a sharply reduced productivity.

(1) Capitalism and its contradictions: We would like to argue here that the crisis of Fordism, which began to unravel itself in about 1970s, is directly related and consequential to specific contradictions inherent in the capitalist mode of production. At the same time we accept Sayer's (1987) point that care must be given not to conflate the historically defined features of governance or production with transhistorical ones. Thus, for example, the notion of worker participation in the decision-making process of a firm cannot be conceptualized as an ahistorical phenomenon precisely because the participative practice itself occurs within a larger frame of reference. The implementation of a just-in-time production system by Japanese automobile producers would have different consequences for such participative practice from those in Germany, for instance. There are, of course, cultural differences that might at least partially account for variations in industrial practices in countries as different as Japan and Germany. However, the crucial source of such differentiation can be found in the organizational dynamic of the trade union movement, which is always historically and culturally specific. In Japan, the genuine trade union movement had been crushed in the 1950s, and pro-management company-based unions were institutionalized in their place in a way that would not undermine the authority of management (Dohse et al. , 1985; Bernard, 1994). In this sense, Japanese workers participate in improving product quality, optimization of production, line balancing, and so on. But their "participation" is tightly control by the management, and generally follows the path determined by the management. Mahnkopf (1991), and Kern and Schumann (1984b, 1987) argue, on the other hand, that German trade unions were able to press for definite guarantees with respect to issues such as training, new collective bargaining agreements, and functional flexibility, and this under the conditions of increased global competitiveness. In Germany, worker participation served, at least in part, to ensure that the technological and economic change did not go directly against the interests of the workers. Worker participation, then, is an example of an historically and culturally specific phenomenon that cannot be readily transported in its abstract form.

Our interest, on the other hand, is in identifying general theoretical points about contradictions inherent in the social relations of production under capitalism: that is, the type of contradictions which are relevant to different countries and under different regimes of capitalist production. Drawing on Marx (1976), we might be able to identify three basic conditions of capitalist production which are both necessary and yet contradictory:
(a) capitalism depends on growth and its growth is driven by competition,
(b) accumulation of capital rests on exploitation of living labour (i.e., variable capital is the sole source of the surplus value or profits), and (c) competition tends to revolutionize production. We will examine the issue of competition and technological innovation below. In section (2) we will address the question of the ratio of the organic composition of capital. Finally, in section (3) we will aim to seek a relationship between (1) and (2), on the one hand, and the process of deskilling, on the other.

Because capitalism is growth-oriented, the imperative of expanding the opportunity for capital accumulation forces individual firms to adopt competitive strategies regardless of their social, regional or ecological consequences. In the final analysis, it is only the regulation backed by an interventionist state that might modify in some way individual firms' drive to maximize profits. As Gramsci (1987:106-5) points out, however, at times of conjunctional crisis the state might act on behalf of the ruling class. The state's own power remains limited, but, nevertheless, it acts as a dominant force precisely because the

capital itself is incapable of resolving the crisis of accumulation.[34] The state thus exercises the function of domination without leadership, without hegemony (*Ibid.: 106*).

In other words, as Offe (1975) argues, despite its relative autonomy, the state does become implicated in the process of accelerating competition among individual firms. It becomes deeply involved for two reasons. In one sense, the capitalist state cannot escape its core functions of exclusion, maintenance, dependency, and legitimation of a particular regime of production (Offe, 1975: 127). In yet another (but not unrelated) sense, Offe identifies four specific areas of the state's productive (as opposed to merely allocative) role in ensuring that the capital accumulation process goes on. These are critical moments in the development of capitalism, and in a very real sense tend to underscore the contradiction of capitalist production:

(i) under normal circumstances, variable and constant capital are made available to firms through the mechanism of the market. At specific historical conjunctions, however, production of input commodities on which other firms depend might become unprofitable, and, therefore, the system as a whole might fail. The collapse of Fordist mass manufacture in the core countries in the 1970s is an instance of such failure, and illustrates a fundamental structural instability of the world economy (Hinkson, 1986). The state, albeit under a global capitalist umbrella, had to come to the rescue. At the same time, having noted that different national economies adopt seemingly different strategies in coping with conjunctural crisis, we ought not to become blind to a certain leit-motif implicit in the structural adjustment occurring in various countries, as they compete for market niches opened up by the liberalization of the world economy. Our point here, nevertheless, is that a mere transition from nation-state controlled markets to a global market does not resolve the fundamental instability inherent in the mechanism of the market. Furthermore, under a neo-liberal (post-Keynesian) governance, such instability is likely to become a permanent feature in global markets, unless neo-liberalism itself is defeated (Tickell and Peck, 1995), and, perhaps, a global version of Keynesianism is put in place (Piore and Sabel, 1984). But even that would not resolve the fundamental flaw inherent in the relationship between the imperative of competition and the structural limits of the market.

(ii) But why do markets fail? They fail chiefly because individual firms are interested in profits, and not principally in making capitalism work. That is, as Jessop (1983) argues, the general interest of capital does not always coincide with the interest of individual capitalists, who are more interested in profit maximization than in the long-term stability of the system itself. Thus if the input commodities are too costly, if the related risks and uncertainties are too high, or some other externalities contribute to making overall profitability too uncertain, then it would go against the logic of capital investment to pursue such ventures. A switch from productive investment to speculative investment in money markets, real estate, or circulation capital in general in the late 1960s in the U.S.A. (van der Pijl, 1984), or in Canada, Australia, or the U.K (see McBride and Shield, 1993; Carroll and Manne, 1992; Jessop, 1989) exemplifies this point.

(iii) At the same time the state provides a systemic framework for capital accumulation. Part of such an environment might be protective tariffs, or a general legal framework overseeing commercial transactions, but also and increasingly a type of intervention aiming at promoting market behaviour through complex government regulatory techniques (and this in spite the neo-liberal deregulatory rhetoric [Ceny, 1991; Burchell, 1994]). Nevertheless, government intervention notwithstanding,

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[34]Cf. Offe's argument that at certain historical conjunctures the process of accumulation begins to "depend upon help in their strategy of competition… that the process of accumulation cannot supply." At that point the state needs to provide essential inputs (i.e., productive activities in addition to the allocative ones) in order to sustain accumulation and production (1975:132).

> accumulation can only take place if and to the extent that individual accumulating units find ways to protect themselves against the constant *competitive pressures* coming from other accumulating units Offe, 1975: 130).

(iv) They do this by putting in place *defensive mechanisms* which allow them a measure of protection. Such mechanisms might involve various ways of improving productivity and minimizing costs. Labour-saving technology, product differentiation, marketing strategies are some obvious mechanisms that readily spring to mind. In the 1970s such mechanisms increasingly included outsourcing or shifting production to low-wage countries, or intrafirm trading, transfer pricing, thin capitalization, and similar strategies designed to minimize tax liability (Rugman and Eden, 1985) and, therefore, costs. Indeed, as Rugman and Eden (1985: 1) argue, "a multinational enterprise [MNE] would not be operating in a profit maximizing manner if it failed to take advantage of whatever market power it had to improve its global performance." In other words, there is a structurally embedded contradictory relationship between the drive to maximize profits and shrinking tax revenue for the nation-state which plays the host to the MNE.

In this respect we would like to make two points. The first concerns the inevitability of universalization of competitive advantage strategies, the second has to do with the relationship between revolutionizing forces of production and structural unemployment. Briefly, to protect themselves against competitive pressures, firms adopt defensive mechanisms (as discussed above), which get them a temporary competitive advantage. However, as soon as the other competitors in the market catch up with the innovation, the original advantage is lost, and the firm is back to square one. Thus we have a sequence: competitive pressure - defensive mechanism - universalization - competitive pressure. We can then easily see how competition forces individual firms to adopt strategies which, it would seem, invariably result in changes in the organic composition of capital, or in fewer employees producing more goods and more cheaply. This of course is good news for the individual firm, but for capitalism as a whole it means a shrinkage of demand for consumer goods, and hence a further increase of competition for the diminishing consumer demand. A kind of vicious circle underscored by its own contradiction.

Secondly, as Hinkson (1986: 142) points out, the high-tech-innovation strategy carries within itself a logic which actually deepens the crisis in that it actively promotes permanent redundancy of an ever increasing pool of potential workers (*Ibid.*: 137). That is, competition contributes not only to the fiscal crisis of the state, through forcing firms to minimize their costs (i.e., taxes), but also results in decreased propensity to consume.

(2) The tendency of the rate of profit to fall: We have seen above that there is a contradictory tendency in capitalist competition to squeeze workers out of the production processes. To the extent that labour is, indeed, being squeezed out, one inescapable consequence must be a falling average rate of profit. In other words, we are arguing that the very principle of competition is contradictory to the interests of individual firms, as it forces them to replace living labour with new innovative and more efficient technology.

But how could we best explain this contradiction? Firstly we need to realize that it is the living labour, or organic capital, which is the ultimate source of all profit in the capitalist mode of production. Clearly, one cannot make profit through automated manufacture of goods if there are no consumers willing or able to purchase the goods. From the individual point of view, it might make sense for the firm to increase the constant capital component of production but only in so far as other competing firms have not done so. But we have seen that technological innovation does become universalized. The original competitive advantage is lost, and the firm needs to further increase the ration of the organic composition of capital--that is, the ratio of constant to variable capital. However, as this ratio grows, and because living labour is the sole source of surplus value (profit), any such increase in the organic composition of capital is likely to result in a decrease in surplus value, and, therefore, in the fall in the rate of profit.

The use of innovative technology is one way of gaining competitive advantage. However, such a strategy is ultimately self-defeating, as in the long run its contradictory nature tends to diminish the average rate of profit. Furthermore, as Strange (1993) points out, the accelerated pace of change does not give individual firms time to recover profits if these are derived solely from local national markets. Hence the imperative to reach global markets. Still, the fact remains that the accelerated rate of technological change causes rising costs of constant capital. The rate of profit, however, is not solely determined by changes in the organic composition of capital. An alternative way of increasing surplus value is to alter the ratio of variable capital to surplus value. This is achieved also through technological innovation; however, the emphasis is on the intensification of labour and on devaluation of the cost of labour. Dohse et al. (1985) have shown how the just-in-time production system succeeded in greatly increasing the utilization of workers' *on-task* time. By working all the time, the productivity has been increased, but at the cost of greatly intensified pace of work. Devaluation of labour occurs when production tasks are either broken down to simple production-line jobs or through technologically improved production processes. In either case what happens is that a previously complex task has been devalued and replaced with a less complex skill (see Braverman, 1974; Carchedi, 1977).

Our argument then is that the very nature of capitalist production contains within itself a contradiction or contradictions which, during the Fordist-Keynesian settlement emerged as periodic downturns in production. There is, therefore, a close relationship between these contradictions and the crisis of accumulation. In this sense, the crisis of Fordism is precisely the result of the economic system's failure to contain those contradictions: a point has been reached at which the ability of accumulating units to create new protective mechanisms by and for themselves has become exhausted (Offe, 1975). The obvious question then arises as to how, short of abolishing capitalism itself, the current crisis of capital accumulation might be resolved. More specifically, might the putative post-Fordist regime of accumulation succeed in overcoming the contradictions inherent in Fordism? Alternatively, is the emergence of post-Fordism merely an attempt at "re-scheduling the crisis," as Harvey (1989: 196) argues, or would it be more plausible to conceptualize the recurrent crises of capitalism as "playing a rejuvenating role, brutally restoring the contradictory unity of the accumulation process" (Tickell and Peck, 1995: 360). Before we proceed to interrogate the merits of post-Fordism in this regard, it will be useful to examine the options available for dealing with the recurrent economic crises.

(3) Strategies for containing the crisis of overaccumulation: Harvey (1989) identifies three basic strategies which allowed the Fordist-Keynesian regime to contain, at least temporarily, the onset of an economic break-down: devaluation of sections of the circuit of capital, macro-economic management, and absorption of overaccumulation through temporal and spacial displacement.

Devaluing commodities, productive capacity, money value or labour might be one way of dealing with surpluses of capital. However, because it tends to hurt the capitalist class as well as workers, it is difficult to sustain for an extended period of time without a potential loss of legitimacy. Consequently, the success of Fordism consisted in large measure in the capacity to avoid radical devaluation experienced in the 1930s, for example. By the time the stock-market finally crashed in October 1987, there were no longer illusions about the sustainability of the Keynesian-Fordist settlement. As we have seen in Chapter 2, it was chiefly the strong system of macro-economic control that helped sustain Fordism. The key ingredients of that strategy were a controlled expansion exercised through corporate monopoly power, institutionalization of the social wage, and the guarantee of collective bargaining, all of which kept mass production and mass consumption in balance, and until at least the mid-1960 kept also the profit rate from falling (Harvey, 1989; van der Pijl, 1984).

Yet given the contradictions of capitalist competition, the problems associated with overaccumulation and diminishing demand had to come to the surface sooner or later. The

Keynesian demand-management strategy did for a while succeed in re-scheduling the crisis but at the cost of a growing public indebtedness. At the same time, a number of phenomena have come together, mutually re-enforcing each other and thus simultaneously effecting the process of globalization of production, trade and finance. These phenomena were driven by capitalist competition, but following the collapse of the Bretton Woods agreement on fixed exchange rates in 1971, they picked up a momentum of their own. Of key importance among them were: the emergence of offshore capital markets such as the Euromarket, growing insignificance of nationally regulated provision of credit, liberalization of trade, technological innovation, and the deregulation of markets. The scenario of the globalizing process might be described as follows:

The increasing imbalance between accumulated capital and flagging demand puts a downward pressure on the average rate of profit. Seeking a competitive advantage, some firms (typically TNCs) move production offshore in search of cheap labour. At the same time the Newly Industrialized Countries (NICs) in south east Asia begin a process of industrial modernization (see Berry, 1989). This results in the expansion of Fordism to peripheral regions, a process described by Lipietz (1982) as peripheral Fordism. With the emergence of peripheral Fordism, several things happen. Firstly, there is a shift in production from the core Fordist countries to the periphery. One consequence of this was the loss of jobs in the core countries, which in turn put pressure on the welfare state in the core countries, contributing to their fiscal crisis and the mounting of public debt. Secondly, simultaneously with the internationalization of production came the need for credit in order to finance the progressive liberalization of trade. As trade expands, flows of finance associated with trade expand too. But at the same time importers begin to demand better access to credit. In the 1970s, such credit began to be available increasingly through the Eurodollar market.

However, the major problem with the Eurodollar market is that its fiscal resources are controlled by private and corporate transnational investment interests, who have no loyalty to any nation-state, and who pay as little tax as possible. Harvey (1989) points out that on current estimates there is what amounts to a total aggregate of the USA economy being invested through off-shore investment markets, such as the Eurodollar market, reaping monumental and untaxed profits. Thrift (1987: 214)[35] also argues that as early as 1982 there were some $2,000 billions of Eurodollars available for a short-term speculative investment. These moneys accumulate interest or capital gains without paying tax to any government. Tax evasion was, in fact, the original reason for the Eurobond market's existence (Cohen, 1987: 84).

The emergence of the offshore capital markets, its subsequent challenge to the regulated financial markets, and its narrow concern with maximization of profits, while completely disregarding social consequences of the deregulation of financial markets, once again indicates the profound contradiction between unregulated capitalist competition and the need for a regulatory system of governance. It was Keynes who argued in the 1920s that unregulated international financial markets have a tendency to be volatile and destabilizing and that they tend to drain funds from productive investment and trade. Yet the post-Keynesian development in the sphere of international finance indicates a complete disregard for the experience of the 1920s and 1930s, when a similar process of liberalization of trade and finance resulted in a complete collapse of the international economic system.

Yet, with the crisis of Fordism, falling profit rates, and the increasing pressure by financial institutions demanding liberalization of financial markets and trade, it has become difficult to find a way out of what was increasingly becoming an anarchic system of

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[35]According to the *OECD Economic Survey 1984/5,* Oct. 1985, US $2.000 billion represents about 2/3 of the USA 1982 GDP. Given that the USA share of the combined OECD GDP is about 41%, it follows that about 27% of the combined OECD GDP is being currently invested in global enterprises with a minimum or no tax liability. See also Crough & Wheelwright, 1982: 130.

international finance (Cerny, 1994). In a nutshell, our argument here is that neither temporal nor spatial displacement of the crisis of overaccumulation could save Fordism in the long-run.

In summary, Keynesianism-Fordism was not able to contain the contradictions arising from capitalist competitiveness and the class struggle. It did attempt to regulate the Fordist regime of accumulation, and to strike a balance between production and consumption. But in the final analysis it failed to resolve the contradictions underpinning the capitalist mode of production and distribution. In this sense, the crisis of Fordism was a consequence of running out of options for re-scheduling the crisis. However, the important question now to be asked is about what might replace the defunct Fordism-Keynesianism.

Much has been written about post-Fordism and post-Keynesianism. In most literature, post-Keynesianism is associated with neo-liberalism. Is it then feasible to see the coupling of neo-liberalism and post-Fordism as a new regime of accumulation? But this relationship between neo-liberalism and post-Fordism is extremely problematic, not the least because neo-liberalism, at the discourse level at least, stands for a complete liberalization of both the economic and the society. In this it stand for a radical departure form the traditional liberalism espoused by, among others, its founding father, Adam Smith. For Smith (1937, 1966) saw the need for at least some regulation to counteract the destructive forces of the market, and argued for the *visible hand* of the state. Indeed, the question of what mode of social regulation might complement the emerging regime of accumulation is crucial. It is crucial especially as we now begin to understand that an unregulated accumulation is unavoidably self-destructive--there can be no accumulation without regulation (cf., Tickell and Peck, 1995).

This realization might suggest at least three possible scenarios. Firstly, we could anticipate that post-Fordism (if indeed it does represent a new organizational principle of production) will eventually need to develop its own mode of regulation; it being understood that neo-liberalism represents merely a transitional "regulatory" stage, whose chief purpose is a *creative destruction* of the Keynesian-Fordist regulatory structures. Secondly, the perceived sense of uncertainty and instability associated with neo-liberalism might take on a function of a quasi regulation. That is, the lack of stability could become a permanent feature of the post-Keynesian mode of social regulation--the lack of regulation will act as a *de facto* regulation, "thriving on the very uncertainty itself" (Tickell and Peck, 1995: 364). Finally, it might be possible to interpret the emergence of a new world economic order as a discursive process, whereby the neo-liberal voices represent a vocal but not necessarily most influential economic interest. In other words, post-Fordism might represent, in an embryonic form at least, the emerging regime of accumulation.

However, what type of "political shell" (to borrow Jessop's [1993] term) might best befit it remains an open question. And for this very reason, it would be somewhat premature to claim that post-Fordism, in its present form, has managed to resolve the 1970s crisis of Fordism, and, more particularly, that it might have resolved the contradictions of the capitalist mode of production (Clarke, 1990). In any case, the neo-liberal agenda of structural adjustment has so far failed quite miserably--that is, in the sense that it failed to bring about a sustained production and job recovery. For this reason, our scenario (2) above is an unlikely candidate for a political shell of post-Fordism. The matching of the political agenda and the regime of production is, of course, of deep interest to us, as each undoubtedly influences the other. In fact, it is imperative that we understand the dynamics of the transition to post-Fordism/post-Keynesianism, as such understanding needs to inform our social action in order to avoid the mounting "unexpected consequences" of the neo-liberal agenda, with its atomizing impact on social behaviour. This situation of when one hand does not quite know what the other is doing is well illustrated, for example, in Jacques Delors' scathing critique of the European trade union movement for failing to counteract the regressive fiscal, social and ecological policies imposed on the European Community by global competition (see Panitch, 1995: 85). In

fact, what we see here is a very basic contradiction built into the neo-liberal mode of thinking: on the one hand, neo-liberalism aims to weaken or destroy the trade union movement by dismantling its Keynesian power structures (van der Pijl, 1989), on the other, it relies on organized labour to counteract the destructive trends of neoliberal deregulation.

We will return to the issue of coupling post-Fordism and neo-liberalism directly below. Our major task will be to conceptualize post-Fordism. At the same time, drawing on our discussion of contradictions in this section, we will also look closely at the various agendas involved in the construction of the "political shell" for post-Fordism. In this sense, we will have to make a clear distinction between the mainstream ideological claims and positions, as we examine possible scenarios available to nation-states in dealing with their impending economic and social problems.

4.2. From Fordism to What? Post-Fordism, its contradictions, and the limits of the neo-liberal discourse.

In this section we would like to argue that whatever accumulation regime will replace Fordism-Keynesianism, it will be a regime which will need to combine rationality of production with rationality of regulation. In this respect, it is, perhaps, inappropriate to consider post-Fordism as a self-contained regime of production. Clearly, some mode of social regulation will be required to sustain the technical relations of post-Fordist production (Burawoy, 1985; Roobeek, 1987). Yet, so far the post-Fordist literature has remained silent on this issue. In other words, it is the social relations in production (i.e., the capitalist relations of production) which articulates the spacial power-relations in terms of investment decisions, organization of production, and distribution of income. Post-Fordism, as a production regime, embodies merely the technical relations in production (Ibid.). This tension between *social* and *technical* relations in production then highlights one of the key themes involved in the post-Fordist debate--to what extent can the struggles in the local workplace counteract the power of capital which has the facility to coordinate accumulation across global (but locally fragmented) space (Harvey, 1993)?

The problematic of discursive participation by the workers in the restructuring of their workplace and by the citizens in reshaping the mode of social regulation or governance represents the first organizing theme of this section. The second organizing theme emerges out of the contradiction between the purported neo-liberal drive towards deregulation of the economic sphere and increasingly of the social sphere, on the one hand, and the historical evidence which suggests that economic liberalism (i.e., its privileging of the markets and big business interests at the expense of the social interests[36]) tends to have a destabilizing effect on the economy as a whole, on the other. We would like to highlight these two themes for the following reasons. Firstly, the alleged emergence of post-Fordism as a *self-contained regime of accumulation*, which requires no social regulation, runs contrary to the empirical evidence--that is, the so called 'quasi-markets' are themselves highly governed phenomena (Burchell, 1994; Cerny, 1991). Secondly, the emphasis in the post-Fordist discourse on *worker participation,* re-skilling, multi-skilling, and so on, which incidentally are seen as crucial to overcoming Fordist "inflexibility", does not appear to be borne out in the actual workplace. At the same time, the neo-liberal attack on democratic institutions, which might promote worker and citizen participation in decision-making (van der Pijl, 1989), clearly indicates the contradiction between the neo-liberal and post-Fordist rhetoric centred on worker/citizen empowerment, on the one hand, and the actual strategy of re-regulating the global economy in a way which inhibits such participatory engagement.

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[36]See, for example, Callahan, 1962.

In other words, what we can see in the coupling of post-Fordist and neo-liberal rhetoric is a similar contradiction which Carnoy (1985) earlier identified in the schooling sector: schools are charged with reproducing unequal, hierarchical relations of the capitalist workplace, but, at the same time, they are also expected to prepare future citizens for democratic participation in the political, social, and cultural life of the country. Our purpose in bringing the Carnoy's analysis at this stage is not incidental. In fact, we would argue that the global restructuring of the workplace and of the social relations of production have already had a significant impact on the schooling provision in most OECD countries, and certainly in the English speaking OECD countries. And certainly we can begin to identify certain similarities in the individual countries' responses to the growing disjunction between Fordist schooling and the "flexibilized" labour market under post-Fordism.

What is of a particular interest to us is the fate of the notion of *intellectual autonomy*. We would argue that, at the policy level at least, the goal of intellectual autonomy was inscribed in the educational purposes of the Fordist type schooling--which in itself was a curious amalgam of cultural-liberal, progressive, vocational, and conservative education. It is of interest to us precisely because the concept of autonomy does also figure quite strongly in the discourse of the promoters of post-Fordism. In fact, worker autonomy is conceptualized in some literature (Piore and Sabel, 1984; Mathews, 1989; Badham and Mathews, 1989) as

> a new regard for the contribution of human labour and a new concern to enhance this contribution by a devolution of responsibility to the workforce and by reskilling (Campbell, 1989: 251).

It would seem that in the post-Fordist discourse worker autonomy is central to firms' profitability. The promise of workplace autonomy and a democratized workplace surely sounds attractive. And if that were the case, should we not also expect a shift in our educational policy to emphasize, promote, and foster such intellectual capacity? This connection between the political-economic landscape on which the 1980s and 1990s restructuring of the social relations of production as well as the technical relations in production takes place (and, in particular, the spacial and global structuration of power which underpins the restructuring debate [Harvey, 1993]), the organizational changes in the private and public workplace (as induced by competitive pressure, technological innovation, and the neo-liberal ideological offensive), and the seemingly inescapable consequences for education and training policies of individual nation states *stuck* in a global competitive market over which no one seems to have any control constitute the key concern of this thesis.

We deal with these analytically separable problematics in different chapters. Here, however, we would like to emphasize the very specific *interlocking* of these issues. By interlocking we mean that the provisional dominance of the neo-liberal agenda is not a consequence of some pluralistic process whereby individual agents or collective agencies in general were able to influence policy outcomes in a more or less equitable way, but rather that the spacially wielded (global) power, the momentum of increasing competitiveness and technological innovation, and the resurgence of economic liberalism are linked through a specific way of seeing.

This neo-liberal way of seeing might be conceptualized by some (e.g., Lyotard, 1989) as just one voice among many. But this difference which neo-liberalism represents is not just any difference. It stands for the absence or irrelevance of the standards of social justice. As such, it is embedded in a specific (one could say, neo-feudal [cf., Lipietz, 1992: 34]) understanding of social reality. *Materially*, it is conservative. It is embedded in the intellectual tradition of Edmund Burke, David Hume, and Adam Smith. It believes in rabid individualism, obligatory inequality which is seen as the sole guarantor of freedom, and a host of fundamentalist principles broadly associated with the primacy of the family unit, sanctity of property, and social hierarchies. In other words, neo-liberals share a common

foreknowledge, to borrow Habermas' term (McCarthy, 1978; Habermas, 1972). Drawing on the elements of this shared "social reality," the neo-liberal intellectual functionaries produce *representations* of that reality. But these representations are generated by (1) already limited perception of the presumed causes of the collapse of Fordism, and by (2) limited *imagination* of what might be possible.

Let us briefly address the point (1). Being essentially an anti-collectivist position, neo-liberalism identifies six factors which purportedly brought about the demise of Fordism-Keynesianism: (i) economic protectionism--that is, a lack of direct exposure to global competitive markets, (ii) excessive regulation, (iii) inflexible labour markets, (iv) large and inefficient public sectors, (v) high tax rates, and (vi) excessive regulation of business activities. We should note, in this respect, the absence of the discussion or even just a consideration of the contradictions as discussed above. Our point, of course, is that a successful regime of accumulation needs to deal with those contradictions (i.e., with the destructive aspect of capitalist competition, class antagonism, and the tendency of the rate of profit to fall as a consequence of the rising ratio of the organic composition of capital). That is, short of addressing the contradictions themselves, any purported solution to the crisis of Fordism is no more than a deferment of that crisis, and it matters not whether we might call such strategy "crisis rescheduling" (Op. cit.), or see it potentially as having a "rejuvenating role, 'brutally restoring the contradictory unity ' of the accumulation process" (Op. cit.). The neo-liberal understanding of the causes of the collapse of Fordism, therefore, prevents that analysis from conceptualizing and implementing a sustainable regime of accumulation in the long run.[37]

And it is precisely this very narrowness of the neo-liberal purview which prevents it from marshaling and drawing on a broader social or community-based intelligence which, we would argue, needs to be necessarily involved in any search for a solution to the economic stalemate manifest in the crisis of Fordism and in the current attempts by global capitalist agencies to implement a global, post-Fordist, and self-regulating economic system.

Leaving aside, for the time being, the question of social contestation of the neo-liberal, globalizing agenda[38], the current ascendancy of economic liberalism as an organizing framework for the restructuring of both public and private sectors does have a unity. This unity is encapsulated, as we argue above, in the world view held by the so-called *stakeholders* (i.e., corporate, and political elite, and, in countries such as Australia, also selected trade union representatives), the *material conditions* underpinning the crisis of Fordism-Keynesianism, selective and ideologically biased interpretation of that crisis and its solutions, limited *imagination* with respect to potential solutions, and a distinct lack of *sensibility* to the social consequences of structural adjustments informed by economic liberalism. Furthermore, this presumed unity of a global response to the perceived crisis of global economy has been considerably enhanced by a very successful offensive conducted by the international capitalist class and their agents or functionaries (van der Pijl, 1989; Wexler, 1986).

Yet, neo-liberalism, as an ideology, cannot be said to represent a specific program or project. Rather, it reflects a deeper currents or tensions intrinsic to capitalist development. Its current agenda, such as the "hollowing out" of the welfare state or the push to liberalize all markets, are then neo-liberal projects in the sense that they represent and express this tension--a tension embedded in the contradictions of capitalist production as we discussed them above. Furthermore, as one voice in the debate which presumes to address the crisis of Fordism, neo-liberalism is extremely antagonistic towards voices critical of its narrow

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[37]Our argument here encounters a semantic problem. A regime of accumulation by definition signifies a capitalist regime. As such, as we have argued above, it cannot avoid its internal conradictions. To resolve those contradictions would require a radical reshaping of the social relations of production. In other words, the best a capitalist regime can do is precisely what it has been doing--rescheduling its own crisis.

[38]This will be addressed in more detail in Chapters Four and Five.

focus on markets as a sole panacea for all social problems. Because neo-liberalism disregards any critique of itself, because it fails to acknowledge other ways of seeing and understanding what the social, economic, and other related problems might be, and because it has gained control over the key nation-state and global agencies, its view tends to prevail (see, for example, Pusey, 1991). This alone, plus the fact that there are currently few alternatives to the neo-liberal mold of governance, enhances the impression that neo-liberalism does represent a form of post-Keynesian institutional fix (Tickell and Peck, 1995). The problem with neo-liberalism, however, is that it does not represent an institutional fix, but rather its absence. In this sense, it is itself a symptom of the 1980s and 1990s global economic crisis.

The incompetence of the neo-liberal position, in so far as its potential for resolving the crisis of Fordism is concerned, can be summarized as follows: First, because capitalism's long-term survival is crucially dependent on some mode of social regulation, the crisis politics of neo-liberalism runs contradictory to the general interest of capitalism. Second, at the present historical conjunction, it is no longer possible to absorb overaccumulation through spatial displacement, such as, for example, by geographic expansion (Harvey, 1989). Furthermore, geographic expansion inevitably results in heightened global competition, and, therefore, perpetuates and even exacerbates the sense of crisis. And as the temporal displacement strategy is anathema to neo-liberalism, the possibility of using excess capital and surplus labour to invest in a long-term future is unlikely to happen under neo-liberalism. Third, any potential solution to the crisis of production and consumption needs to involve a new class compromise. But it also needs to acknowledge concerns with ecological sustainability and with social and moral aspects of our existence. Markets alone cannot do those things. For this reason, the new compromise must involve participation of broadly-spread interest groups, and not only of selectively picked corporate representatives. But, once again, such a strategy would require a restoration and development of democratic institutions and their autonomy in order to facilitate such debate. And here, there are also specific implications for educational policy, especially with respect to fostering in future citizens what Habermas (1984, 1989) calls communicative competence. Such communicative competence is inescapably associated with a heightened level of social and moral maturity, and acknowledges and respects other points of view, even when they might challenge one's own beliefs and understanding. Our point is that neo-liberalism is eminently communicatively incompetent, precisely because it is not open to criticism neither by external agencies nor from within its own ranks[39]. Finally, because neo-liberalism can then be understood primarily as a strategy of "creative destruction", and as such cannot in its own right support any capital accumulation strategy in a long run, we should expect to find beneath the rhetoric of neo-liberalism a style of governance which, perhaps, bears a little resemblance to the claims of neo-liberal discourse (Burchell, 1994). But if a new regulatory regime is being put in place by nation-state governments, as Burchell (1994) and Cerny (1991) argue, then our analysis needs to go beyond the neo-liberal rhetoric and focus on the actual developments in the style of governance, including the institutional structure that has emerged in support of the new accumulation regime. It is also likely that these new institutional arrangements will vary from one regional economy to another. And as it was the case under Fordism, the actual working out of the accumulation strategy will be determined by the regional material and skill endowment and the capacity to compete on the international market, by political struggles, but also by more general strategies geared to attracting footloose industries by virtue of creating a competitive investment environment--i.e., a low-tax climate, and often

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[39]This is well exemplified in the confrontation beteen Alberta's Premier, Ralph Klein and the ex-Tory Education Minister, Dave King. Lisac (1995: 142) reports Klein's response to King's resignation from the Tory party in following terms: "Perfect!...Now he can whine and snivel and sob and at least he won't be doing it as a Tory. He's been fighting us every step of the way and we totally disagree with him that what we have done is discriminatory...."

granting transnational corporations citizen-like rights, while exempting them, at the same time, from performance requirements such as domestic sourcing of goods and services or transfer of technology (Laxer, 1994).

In one sense, the post-Keynesian regulatory framework will inevitably differ from one country to another. This difference will reflect the economic, political and administrative viability of each regional economic strategy in terms of how it might fit into the global circuit of capital. However, in yet another sense, the national economic strategies will have much in common. This commonality will be (and has already been) determined by the interaction of financial market structures with states, domestic capital, and the international investment community. In fact, as Cerny (1994) argues, the transnational financial structures have contributed to the demise of the Keynesian welfare state far more than internationalized production, trade, or the neo-liberal propaganda itself. The dominant position of the capital vis-a-vis local communities is well documented (see, for example, Winters, 1993, or Palmer, 1995). Burawoy describes it as a "'rational' tyranny of capital mobility over the collective worker" (Burawoy, 1985: 150).

It would then seem that in the emerging post-Fordist/post-Keynesian regime of accumulation, the embedded financial orthodoxy (Cerny, 1994) constitutes the invariant determinant of national accumulation strategies (cf., Jessop, 1983)--that is, post-Fordist accumulation *must* look to finance capital as its co-ordinating power (Harvey, 1989). It must do so because nation-states can no longer control capital flows, and hence their fiscal and monetary policies have been rendered virtually ineffective precisely because any potential political intervention simply cannot intersect the space through which the financial flows are routed (see Crook, 1992). What remains negotiable, however, is the institutional framework for connecting each national economy with the global circuit of capital. It is in this dimension that we might encounter different approaches and strategies adopted by individual nation-states in developing a new mode of social regulation. In theory, these strategies might resemble anything between pure market despotism and state capitalism (cf., Cox, 1987, 1991).

The concept of pure market despotism has been conceptualized by Burawoy (1985: 148) as "binding of the reproduction of labour power to the production process" without the intervention of the state or any other mediating third party. In a similar vein, Cox (1991; see also Panitch, 1995, and Albo, 1995) defines a return to the nineteenth century economic liberalism as *hyper-liberalism.* [40]As an ideal-type, pure market despotism or hyper-liberalism have not, at this stage, been adopted by any national government. However, to the extent that policies are driven by ideologies of political parties in power, policies do tend to have different goals and purposes. Certainly in Canada, legislative steps taken by Mike Harris in Ontario and Ralph Klein in Alberta bring these two provinces close to what we have referred to as pure market despotism and hyper-liberalism. In Alberta, in the area of education, for example, the entitlement to education has been reduced to basic or *adequate* education (see Laghi and Moysa, 1995), while the access to over and above the educational basics is provided on the basis of user-fees or, alternatively, school communities need to raise their own cash to provide any additional educational programs (see Panzeri, 1994; Bell, 1994; Moysa, 1995). The vehicle of Charter Schools in combination with Section 97 of Bill 41[41] makes it possible to privatize the provision of

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[40]Cox makes a distinction between hyper-liberalism and neo-liberalism. In Cox's analysis, neo-liberalism refers to the Keynesian revision of classical economic liberalism. We do take Cox's point on this issue. However, in our analysis, "neo-liberalism" describes a revision of Adam Smith's classical economic liberalism not in the Keynesian sense, but in the sense of moving yet further to the right. In other words, we argue that the 1980s and 1990s neo-liberalism is more economically liberal than even Adam Smith (1937, 1966) dared to imagine.

[41]Bill 41 is about privatizing of government functions. Section 97 repeals the Department of Eduction Act and assigns exclusive responsibility for education to the Minister, but leaves it at the Minister's discretion to asign such responsibility to some other person or corporation.

education in Alberta. Dale (1994) describes a similar development in New Zealand in terms of decreased entitlement and increased provision. In practice this means a development of an increasingly diverse educational system which offers the chance to compete for unequal levels of achievement (Taylor-Gooby, 1994). But because such competition must necessarily be overdetermined by each individual's capacity to raise user-fees, the function of such an educational system (whether intentional or unintentional) is clearly that of social stratification on the basis of the socio-economic status; that is, what we can see here is an attempt at implementing Bowles and Gintis' social reproduction theory. To return to Burawoy's thesis, privatizing of education in Alberta can be seen as a strategy to remove the state's mediating role in the reproduction of labour power, and, therefore, as subordinating entitlement to education to market forces.

State capitalism, on the other hand, promotes a fusion of state and economy (Cox, 1991). In the area of our immediate concern (i.e., training, skills and education), here the state actively pursues the strategy of skill formation, linking it to the development of a national competitive advantage (see, for example, Dawkins, 1988). This route has been taken by the Australian Labor government. The development of *The Australian Vocational Certificate Training System* (ESFC, 1992) is a clear example of the state's involvement in the reproduction of labour power. But some believe (e.g., Carmichael, 1990) that the new training system in Australia aims to do more than just increase skills in order to advance the national economy's competitiveness. Because the Australian Labor Party does still have its roots in the working class constituency, it also presumably aims at attributing to the post-secondary education for academic and non-academic students an equal status, making at least some components transferable between various educational institutions. In this sense, Labor Party's ideology has ventured to inscribe in its educational and training policy a sense of equity between vocational and academic training, challenging thus the hegemony of the 'academic', and at the same time trying to dispense with the traditional dualism traditionally present in the Australian system of education and training (Seddon, 1992).

In a sharp contrast to Tories' stress on maintaining the current vocational/academic distinction, especially in the post-16 schooling, which would at the same time be cheap to run and emphasize competition and selection, the British Labour Party appears more in line with the Australian perspective: its policies are designed to spread opportunities more widely by making comprehensive schooling equally available to the whole age group, and by de-differentiating academic and non-academic students in the post-16 education (Taylor-Gooby, 1994).

The important point is that, when it comes to policy formation, ideology does matter. And it matters not only in the sense that conservative parties might explicitly represent the interests of the capitalist class, whereas the working class parties might also include in their policy deliberations a consideration of possible negative consequences of specific policies for the broader society. At the same time, of course, given the recent experience in Australia, New Zealand, Canada, and the U.K., it would be foolishly naive to claim that the presumed left-of-Centre political parties might be willing to challenge the ascendant hegemony of the financial capital. Our point, nevertheless, is that there are differences, and that these differences are driven by ideologies to which political parties subscribe. Drawing on Panitch (1995), Albo (1995), and Cox (1991), we have argued that this polarity of possible economic strategies can be conceptualized as a dimension between *hyper-liberalism* and *progressive competitive alternative*.

But the determination of the shape of the actual economic and social policies is not merely a matter of choice effected by the government. Rather, it is a result of political struggles which take place against the background of a locally-defined political tradition. For example, in the previous chapter we have seen that in the post-war era the labour movement in Australia was actively involved in effecting income distribution at source, rather than relying on income distribution via tax and transfers. This proactive approach has led to a much closer involvement of the Australian Council of Trade Unions (ACTU) in the restructuring agenda following the collapse of Fordism-Keynesianism. There are, of

course, a number of other conjunctional factors that influenced the policy making agenda in Australia. Among others, they include the following facts: that it was the Australian Labor Party (ALP) which has been in power since 1983, that Bob Hawke (Australia's Prime Minister till 1991) came to the Prime-Ministership as the President of the ACTU, and that the current Prime Minister, Paul Keating, is a close friend of Bill Kelty, the present president of the ACTU. The relationship between the ACTU and the ALP has in fact always been close. And it was thus quite natural that the ACTU should involve itself in the government's restructuring agenda. Their policy proposals were outlined in the document *Australia Reconstructed.* But the spirit of that document was still couched in Keynesian terms: its aim was to achieve full employment, low inflation and equitable increases in living standards (Seddon, 1992/3). And quite in line with Kern and Schumann's (1984, 1987) argument, there was a strong emphasis on training policies, and consensus building especially in reference to national economic and social objectives. *The Australian Vocational Certificate Training System* (1992, better known as Carmichael Report), a report compiled by the Employment and Skills Formation Council, was actually chaired by Lauri Carmichael, an assistant secretary of the ACTU.

In contrast, the agenda of vocationalization and restructure of education in the U.K. (see Ranson, 1984; Ball, 1990), New Zealand[42] (Grace, 1989; Codd and Gordon, 1991) or in Alberta (see Robertson, Soucek, Pannu, Schugurensky, 1995; and Soucek and Pannu, 1996) certainly remained firmly in control by the ideologically oriented neo-liberal governments which opted for a strategy of hyper-liberal, competitive austerity. What is of interest to us with regard to the relationship between "preferred" economic strategy, political process involved in the formation of economic and social policies, and the actual substantive aspect of policies such as in the area of education and training, for example, is the thematic unity which underscores these discrete moments of policy formation. In other words, what we are trying to argue here is that different ideologies tend to use different discourse practices, which in turn correspond to and shape different expectations of educational and training outcomes. Thus, for example, participative or consensus seeking politics, to the extent that the sentiment and commitment expressed in such approach might be genuine, would be anathema to a neo-liberal mind, as neo-liberalism is fundamentally conservative and representative of a strictly differentiated hierarchy of interest-group representation; that is, neo-liberalism is conservative precisely in this sense.

But this is not to argue that neo-liberalism (or hyper-liberalism) is in some way defending the prevailing order or is advocating a return to the mythical "golden age" of accumulation (cf., Lipietz, 1994). On the contrary, it takes the Keynesian paraphernalia of demand-management and democratic representation out of the system of governance, and replaces it with a system of contracts or agreements between semi-governmental instrumentalities and private corporations (Considine, 1988) or with agreements between individual ministers and the investment community, as is the case in Alberta following the passage of Bill 41 (see Crockatt, 9 Nov., 1994: A7). At the same time, such forging of closer ties between government and business is greatly helped through the institutionalization of a very selective system of corporate-friendly stakeholders (see, for example, Triado, 1984 or Lisac, 1995). Thus Lisac (18. Jan., 1996: A12) can comment on the hyper-liberal style of governance of the Klein administration in the following way: "this case does not look like conservatism; it looks as if there's an awful lot of governing going on these days." In other words, the hyper-liberal modernists seek to "change everything so

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[42]In New Zealand it was the Labour government that introduced the hyper-liberal regime of austerity. Like in Australia under Paul Keating and Bob Hawke, Lange and Douglas Labour leadership in new Zealand signified a fundamental shift in its re-orientation towards seeking aliance with the big busines, Treasury, and the Reserve Bank, but unlike during the Keynesian ere, this time the aliance wzs strongly underscored by the monetarist and neo-liberal agenda (Bertram, 1993). Roger Douglas' program was also notably anti-corporatist. And in this respect particularly the New Zealand government's political strategy differed from that adopted by the Australians.

that nothing changes" (Op. cit.). And it is in this sense that hyper-liberalism is essentially conservative.

In terms of educational outcomes, neo- or hyper-liberalism inscribes with relative ease the same notion of differentiation into inequality of educational opportunities by institutionalizing differentiation among schools (e.g., private versus public, grant-maintained schools, or charter schools). The pedagogical context and the curriculum are also important, as both can potentially involve participative or negotiated pedagogy and curriculum in the case of progressive education (see Young, 1990), on the one hand, and formal (non-participative) instruction and prescriptive (non-negotiated and now increasingly fragmented) curriculum in the case of post-Keynesian provision of education, on the other.

In the area of industrial relations, the same distinct lack of sensibility towards the *other* (i.e., the workers) tends to be reflected in a top-down mode of conceptualizing and implementing micro-reforms in the industrial (Leborgne and Lipietz, 1992) or school (Chadbourne, 1991) workplace. In other words, the process of workplace micro-reform consequential to the transition from Fordism to what we tentatively call post-Fordism can take many different routes, but what in the main distinguishes these varied approaches is the degree of involvement of workers and the trade union movement in determining the optimum levels of upskilling and retraining, job integration, quality control, and so on, but also specific marginal benefits such as sick or maternity leave, wages, and working conditions in general. It is to this aspect of post-Fordism that we now turn.

5
POST-FORDISM: A PARADIGM SHIFT?

What are we to make of the post-Fordist problematic? The advocates of post-Fordism claim that the post-Fordist micro-reform is (1) driven by the changing market, (2) by changes in the nature of production work, and, finally, (3) that it can resolve the contradictions which brought about the demise of the Fordist mass-production regime. At the same time, it is claimed that these micro-economic changes represent a radical paradigm shift in the way the post-Fordist industrial process is presumably organized. The emphasis on the presumed paradigm shift is for Piore and Sabel (1984) at the center of their argument. Like the Industrial Revolution earlier, the "second industrial divide" marks a radical departure from what is referred to as a regime of *mass production* to a regime of *flexible specialization*. At the same time, the emphasis is clearly on the micro-economic change. Our key objection to their thesis is that in its own right post-Fordism cannot be seen as a new way of social organization of production, especially given that markets left to their own device are fundamentally unstable (Tickel and Peck, 1995; Whitwell, 1994), and that post-Fordism, in the way it is portrayed by its advocates, represents a technology of production process, rather than a "way of life" represented by the Fordism-Keynesianism coupling.

Let us recall that Fordism was incomplete without social and political regulation provided by Keynesianism. That settlement stood for a compact between capital and labour, and was underpinned by national governments' deliberate balancing of mass production and mass consumption. Could a flexible production under post-Fordism be similarly balanced against flexible consumption, and could this achieve some sense of stability for the economic system as a whole? And if so, what implications might follow for the workers and for the consumers?

5.1. Market-driven paradigm shift?

This point is elaborated by Piore and Sabel (1984).[43] They argue that the restructuring of production in the 1970s was propelled by stagnating world markets, and that

> changes in the product market, such as demands for greater product variation, imply a shift to more flexible production and that this, in turn, has consequences for the organization of work and the treatment of living labour within production (Campbell, 1989: 257).

They claim then that the market has a momentum of its own, and essentially *pulls* the supply side of the economy. Theoretically, Piore and Sabel's thesis derives from the neo-classical economics of Adam Smith (1937) (see also Hayek, 1960, and Friedman, 1962). Most succinctly, neo-classical economics or economic liberalism is a theory based on the assumption that the *invisible hand* of the market always knows best: that it promotes an end which was no part of man's intention (Smith, 1937: 423), thus guaranteeing an optimum

[43]See also Hirst and Zeitlin (1991), and Kenney and Florida, (1988, 1989).

distribution of investment and profits. But, as Lane (1991) argues, there is no such guarantee. The market left to itself does not achieve an equilibrium between production and consumption; that is, in the sense that some measure of social and economic equity in this respect might be also achieved. The problem with hyper-liberalism is that it derives from an economic theory which professes to "understand economic behaviour [but] without a general theory of behaviour" (Lane, 1991: 599). How could hyper-liberalism possibly understand the "actual working of the economic system without understanding the social system of which it is a part" (Ibid.)?

This is a dangerous flaw on many accounts. Firstly, as Jessop (1983) points out, individual capitalists do not necessarily have the interest of the general capital at heart. If capitalist competition is left unregulated, individual capitalists, driven by self-interest (Smith, 1937), might make decisions contradictory to the general interest of capital, which, in turn, could jeopardize the survival of the social formation itself.[44] What has happened in Australia under the Accord between the ACTU (Australian Council of Trade Unions) and the Labor government illustrates the point. Under the Accord in the 1980s, the unions made key concessions. Real wages were reduced by 10%, while profits climbed significantly (Bell and Head, 1994; Pusey, 1991). The assumption was that the profits will be reinvested in Australia to generate jobs. Such re-investment never took place. The profits went into speculative capital markets and off-shore. The gradual disinvestment in manufacturing resulted in a shrinking consumer power, and, consequently, in shrinking opportunities for investment (see Carroll and Manne, 1992). In this sense, the general interest of the capitalist class was not served. But the other important point that this example illustrates is that a structurally embedded power of business tends to override politically located power of governments--in this context, the Australian government and unions were dependent on business investment but were unable to control it, whereas business could go along with the Accord for as long as it suited its interests, but when it came to a real commitment to make investment decisions in the national interest, capital did not have to stand by its promise.

But the politics of Accord do not make Australia a unique failure of hyper-liberalism. Underutilization of productive capacity and a shrinking consumer power are chronic problems everywhere (Bowles, Gordon, Weisskopf, 1989; Lipietz, 1992). And this is precisely a consequence of the speed with which international trade has been liberalized, but when, at the same time, individual countries were not able to keep up with the quantitative growth in international trade. The promised panacea of economic recovery through growth in exports was fundamentally flawed. Neoclassical economists argued that free trade allows an efficient allocation of resources (i.e., Pareto optimum allocation principle) between national economies, with individual capitalists angling for a competitive advantage.[45] In this scenario, the efficient economies with trade surpluses would become

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[44]Van der Pijl (1989) argues that this point is not lost on the leadership of the global capitalist class. In fact, the Trilateral Commission, Bilderberg Conferences, or the European Council (later replaced by the G-7 group) pursue the idea of a united capitalism precisely because they realize that capitalism cannot otherwise survive. The attempts to re-regulate the electronic fiscal highway (Crook, 1992) bear witness to the realization that there is something called "general interest of capital" (Jessop, 1983). However, the restoration of the international unity of the bourgeoisie is aptly complemented by a direct attack on the democratic welfare state and those social structures which appear to offer some power to the working class (van der Pijl, 1989).

[45]On "competitive advantage see Cerny, 1991, 1991, 1994). At the same time, there is a considerable confusion, within the context of the neoclassical economics model, as to how big a role should national governments play in helping create an individual national competitive advantage. One can think of Klein's hyper-liberal Alberta or Harris' common sense revolution in Ontario, both of whom zealously pursue the hyper-liberal prescription, or the Asian Tigers' economies with a highly dirigiste style of economic management (Berry, 1989), but with a highly inequitable distribution of income (for a critique of this approach see Lipietz, 1994), but also of the Scandinavian countries with a well developed system of negotiated settlements between labour and capital (Leborgne and Lipietz, 1992), and even of Australia where

too expensive, while those economically inefficient countries with chronic balance of payments deficits would be forced to adjust through exchange rate movements or deflation (e.g., Mexico in 1995), which would make their exports more competitive. Through this sea-saw like movement of international exchange rates, a harmonious picture of a world economy in motion would emerge, benefiting people everywhere. There are, however, some major problems with this line of thinking: Firstly, the most successful economies of Japan and Germany still managed to sustain their trade surpluses through the 1980s, averaging +3.6% and +1.4% respectively. Secondly, the hyper-liberal economies of the USA and the UK sustained deficits of -1.3% and -0.1 respectively[46]. Thirdly, the highest growth in exports was registered by the Asian Tigers with a dirigiste economic management, not hyper-liberal management (Berry, 1989). Fourthly, the consensus seeking Scandinavian economies (and we might include Germany here) fared relatively best in the OECD context. Finally, according to Lipietz (1992) and van der Pijl (1989), recasting the entire development model away from domestic consumption towards world-market oriented growth meant that all individual economies were now hoping that others will absorb their trade surpluses. But because their trading partners were doing exactly the same, this led to the kind of demand-side crisis at the international level (Lipietz, 1992). The empirical evidence clearly shows that the successful countries remain successful for two key reasons--strong economic management exercised at the national level (Japan, Germany, the Asian Tigers), and redistribution of national income through state-sponsored programs (Scandinavian countries[47]).

Furthermore, as many social commentators observe (Harvey, 1989 and 1993, Leborgne and Lipietz, 1992, Lipietz, 1992, 1994, Tickell and Peck, 1995), the neo-liberal promotion of the free market has so far failed miserably; that is, in terms of resolving the contradictions which caused the demise of Fordism in the first place. In fact, the presumed hyper-liberal equilibrium has so far failed to materialize in the economic life of our contemporary society, perhaps permanently. At the global level, *primitive* and *peripheral* Fordisms (Lipietz, 1982, 1994) in the Third World "complement" the regime of flexible specialization in the core economies, whereas at the regional and national level, not only the Third World countries such as Mexico or Indonesia, but also the core ex-Fordist countries themselves are evolving towards "'two-tier, hour-glass' Brazilian type societies" (Leborgne and Lipietz, 1992: 332; see also Harvey, 1989, and Lipietz, 1992). This said, however, we must hasten to qualify our comment which might suggest to the reader that the *Brazilianization* (Lipietz, 1992: 35) of today's world is consequential to the lack of regulation. The complete lack of regulation does play some part, to be sure. But the pure global deregulation is confined only to financial markets such as foreign currency trading, capital markets, or futures market. The equity or sector-specific markets do not enjoy such freedom (Frieden, 1991). Furthermore, in the view of the above discussion, we might conclude that the so called de-regulation promoted by hyper-liberalism really stands for a kind of re-regulation which favors the interests of the international investment community at the expense of the nation-state-bound workers, even though there, perhaps, might be some exemptions in so far as the mobility of information workers is concerned (see Reich, 1991).

In concluding this section, we would like to argue that the global-market-driven strategy of hyper-liberalism is eminently unsuitable for resolving the problems of economic

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the national government has become deeply involved in promoting the national competitive advantage, especially through a nationally coordinated system of training, but also through pursuing the Uruguay Round of trade negotiations and the Asia Pacific Economic Cooperation agreement (Cooper, Higgott, and Nossal, 1993).

[46]*OECD in Figures Supplement to the OECD Observer*, No. 176, June/July, 1992, pp. 60-61.

[47]See *OECD in Figures: Statistics on the Member Countries*, Supplement to the OECD Observer, No. 186, June/July, 1993, pp. 40-41.

stagnation and, most importantly, of the growing unemployment and underemployment in today's after-Fordist economy.

Bowles, Gordon, and Weisskopf (1989), in fact, argue against the assumption that the primary goal of the neo-liberal offensive and the so-called structural adjustment is to resolve the economic crisis of the 1970s. They concur with van der Pijl (1989) that even though valorization of capital matters, more important to the capitalist class are the goals of disciplining labour, achieving a regressive redistribution of wealth and income, and dismantling the democratic state. This is an important point as much of the critique of educational policy formation at the global agencies level (such as the OECD) tends to assume that these agencies mean well, that they are concerned with creating jobs and with the basic welfare of all citizens, but that they cannot succeed chiefly because of the flaws inscribed in the neoclassical economics theory and because of the contradictions inherent in the capitalist mode of production. Yet the growing emphasis on the so-called "flexibility of labour" (see OECD, 1989a and b), with its inescapable effect of increased polarization and segmentation of the labour market and a terminal marginalisation of growing sections of population, shows clearly that there is a hidden agenda which is being pursued by these agents--i.e., the rhetoric is about job creation, humanization and democratization of the workplace, and even an increased economic equity as individuals are presumed to be empowered through the workings of a neutral market, but the reality is about social control of those left behind. Thus Fitzsimons and Peters (1994), for example, question the skill formation strategy of the New Zealand government (and the same critique applies to the Australian efforts in this respect) on the basis that the human capital theory has failed to establish the connection between education, productivity, and earnings. Because there is no such necessary link, they argue, the strategy is flawed. What they fail to appreciate is that the notion of human capital formation as used by the agents of global capital needs to be qualified--it applies only to the core workforce (see Campbell, 1989, Kern and Schumann 1984a,b, and 1987, or Wadley, 1990). As for the rest of the labour market, "people must be educated once more to know their place" (DES official, quoted in Ranson, 1984); that is, they will have to be steered into failure and consequent marginalisation (Wadley, 1990). The other important question is whether the governments of New Zealand and Australia fully understand the social implications of their skill-formation strategies. However, given that the Education Ministers of the OECD countries took an active part in producing the OECD document, *Education and the Economy in a Changing Society* (1989), which at the time of decreasing employment opportunities[48] argues for a tight nexus between the labour market and educational and training skills formation, it would seem reasonable to interpret the OECD's usage of human capital theory as applicable only to an ever decreasing number of students and trainees. This said, we can nevertheless discern a certain consistency in the OECD's argument; that is, in a similar sense as flexible production is *pulled* by the market that schooling and training outcomes might also be *pulled* by the labour market. The problem with this approach is that the skills crucial to the reproduction of the lifeworld are being lost.

Our final point is that macroeconomics still matters (Leborgne and Lipietz, 1992). This is also well recognized by Piore and Sabel (1984), the harbingers of *new production concepts* and a paradigm shift from mass production to flexible specialization, who understood that the way out of the economic crisis of the 1970s was through "multinational Keynesianism," and that a shift of technological paradigm required also a "new system of regulation" (Piore and Sabel, 1984: 251-252). But let us now examine this notion of new production concepts.

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[48]In Canada, for example, during 1994 64% of new jobs were only temporary jobs with no career prospects (Beauchesne, Jan., 19, 1996), and these jobs required only basic education and training (see also Aronowitz and DiFazio, 1994, Reich, 1991, Rifkin, 1995).

5.2. New production concepts

The notion of *new production concepts* is central to the post-Fordist argument. It is argued by the advocates of the post-Fordist paradigm (Piore and Sabel, 1984; Kern and Schumann, 1984a,b; Mathews, 1989a,b; Mathews, Hall and Smith, 1988) that the "old" production concepts were firmly rooted in the Fordist system of mass production. The two key aspects of Fordism are identified as rigidity of workplace arrangements and accessible markets. Mass production was designed to satisfy mass consumption. The system was characterized by rigidity at all levels, including the stability of the labour and consumer markets, and strictly defined hierarchical division of tasks and responsibilities at the shop-floor level. Furthermore, paralleling Braverman's (1984) thesis which argued that capitalist competition produced the effects of reduced worker autonomy, deskilling and increasing separation of conception from execution of work tasks, the advocates of post-Fordism claim that the old paradigm was limited precisely because it perceived living labour as an obstacle to production, and as such it became obsessed with the need to control labour through a system of supervision and where possible eliminate it altogether through technical automation. This tended to produce two effects: first, progressive automation increased the ratio of the organic composition of capital, and thus decreased profitability[49], while also making the initial capital outlay more costly; and, second, it promoted antagonism in the workplace. The latter had clearly negative impact on productivity levels. This antagonism was manifest in a number of practices ranging from furtive resistance or even not so secretive sabotage (Burawoy, 1985, Braverman, 1974, Lipietz, 1992) to restrictive labour practices such as rigid demarcation of duties and responsibilities (at both individual and trade levels) institutionalized through a system of collective bargaining. But even more importantly, the knowledge individual workers had or acquired on the job remained virtually untapped by the management precisely because of the existing antagonism between workers and management, and because of the inflexible structures which defined the Fordist technical relations of production.

All of the above, however, began to be challenged at the onset of the economic crisis in the 1970s, especially as the markets became saturated with mass-produced goods. The international competition was now exclusively over markets which now not only began to show signs of limits on expansion but began to contract. Inadvertently, the crises of the markets was further exacerbated by the neo-liberal offensive which effectively increased the share of global wealth by the capitalist class (Whitaker, 1987, Pusey, 1991, Miller, 1992, Bowles, Gordon, Weisskopf, 1989), whose propensity to consume was clearly limited. What has, therefore, changed were the objective conditions of valorization of capital, not the capitalist system itself. This is important to note for two reasons: First, the phenomenon of diminishing markets could be a positive development from the ecological point of view. But to deal with the crisis of the diminishing markets in a socially and ecologically responsible manner would require a different strategy than that of hyper-liberalism. We will expand on this point in the next chapter under the heading "Two pathways." Second, because post-Fordism is still a regime underpinned by the capitalist relations of production--the aim is to valorize capital through the extraction of the surplus value, and, therefore, is based on exploitation of the workers (and whether the workers admit to it or not is immaterial)--any purported paradigm shift in terms of increased worker

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[49]As we have argued earlier, the surplus value can be extracted only from the living labour. The capitalist cannot exploit an automated plant. But to clarify the issue further, automation, use of robots, and so on, can remain profitable only in so far as other competitors fail to introduce a similar type of labour-saving technology. As soon as they do, the original advantage is eliminated and the surplus value and profit can be extracted once again only from the workers.

autonomy and "appreciation of the special qualities of living labour" (Campbell, 1989: 255), therefore, needs to be viewed with some suspicion.

The two seminal texts that deal with the notion of paradigm change in terms of a transition from Fordism to post-Fordism (or to a regime of flexible specialization) are Piore and Sabel, *The Second Industrial Divide* (1984) and Kern and Schumann, *The End of the Division of Labour?* (1984a). It is important to note that both texts recognize the continuity in the general logic of capitalist restructuring. That is, they do not necessarily contradict Braverman (1974) in that they acknowledge that the current restructuring does involve loss of jobs. Yet Piore and Sabel's thesis is flawed essentially because it remains at the level of theory without any supporting empirical evidence. The critique of their romantic resurrection of craft tradition is well documented (see Murray, 1987. Campbell, 1989, Skorstad, 1991, Watkins, 1994), and we will not attempt to add to that debate here. Kern and Schumann' analysis, on the other hand, draws heavily on empirical research, and there are clearly significant points and issues they raise. We will look at these immediately below. But the particular point we wish to make here concerns the presumed difference or novelty of these new production concepts associated with post-Fordism. As stated above, the newness of post-Fordism does not abide in some new logic of capital accumulation, but rather it can be located in

> the way in which the remaining labour is approached within the workplace in the general areas of work organization, training and personnel policies, and the allocation of work.... [the reference is to] a new consciousness of the qualitative significance of human work performance and a new appreciation of the special qualities of living labour (Campbell, 1989: 255),

or so the argument goes.

What Kern and Schumann argue is that the modernist management has recognized the failings of the antagonistic approach to labour. The new strategy aims to eliminate this antagonism by devolving responsibility to the workforce and by re-skilling workers. To get around the notion of antagonism or conflict between management and workers, they argue against Braverman's (1974) thesis that degradation of work conditions is ineluctably linked with the imperative of valorization of capital. Their position is that "capital is indifferent to the consequences for labour of its measures to ensure valorization" (Schumann and Wittemann, 1985: 46; quoted in Campbell, 254), and, therefore, to the extent that the goals of the workforce might coincide with those of management, the management should be willing to grant to its labour force some measure of autonomy.

This new approach is exemplified in the type of industrial organization described by Leborgne and Lipietz (1992) as Kalmarism. The latter refers to the Swedish Volvo plant in Kalmar. This ideal-type arrangement involves a collective participation of workers in negotiating with business the general working conditions, but also touches on issues of social content and distribution of the production. The unions are responsible for worker performance on the shop floor. Significantly, these negotiations take place at the level of the whole society, but also at the regional level. But let us note, at the same time, that sort of negotiation typified the democratic arrangements (as flawed as they might have been) under Keynesianism. This is an important point as the hyper-liberal program clearly pushes for plant-specific or enterprise-based negotiations, as is the case, for example, in the USA or the UK (Leborgne and Lipietz, 1992). And clearly, we could expect a widely different social effect being produced either by enterprise-based bargaining or by negotiations done at a national level, with the former empowering the management, while the latter giving some muscle to the workers; that is, in so far as the mediating agency might be able to retain some notion of neutrality.

To make the complex issue of new production concepts somewhat more accessible, we propose to highlight its two key aspects: first, the content--that is, the skills, the training and re-skilling, and the working conditions; and, second, the process of negotiation.

Focusing on these two aspects should make it easier for us to make at a later stage the transition from the restructuring in the industrial workplace to the restructuring of teachers' work.

(1) Paradigm shift, skills, and training.

But first, what are the essential ingredients of this new approach? Kern and Schumann identify three categories: integration of tasks or job enlargement, unification of planning and execution of tasks, and acquisition of additional knowledge (e.g., combining engineering and computer skills and competence) to allow workers to deal with emergencies without calling in specialists.

In terms of work content, then, the key problematic area that we identify is between Braverman's claim of job degradation, deskilling, and increased separation between planning and execution, and progressive loss of autonomy, on the one hand, and the post-Fordist claim of task integration, up-skilling, unification of planning and execution, and increased worker autonomy, on the other.

Paradigm shift. The major problem with the new production concepts claim is not that there is not evidence to support it, but that its advocates accept the presumed paradigm shift as a given, as something that simply must happen. Yet their focus is extremely selective, and tends to ignore the mainstream experience in the industrial workplace in the core industrial as well as in the developing countries. In this sense, our objection is twofold: firstly, the presumption of paradigm shift is too hasty and most likely unjustified, and, secondly, the notion of the new production concepts itself requires an in-depth empirical scrutiny.

Has there been so far a major paradigm shift in the way the industrial place is being restructured? It is, of course, impossible to provide a conclusive answer to this question. The best we can do is to briefly survey the literature on this topic. Kern and Schumann (1984a,b, 1987, see also Campbell, 1989) themselves admit that there are winners, and losers in the post-Fordist restructuring. According to them, the new production concepts affect only a select group of core employees in the core industries of car manufacturing, metal work, and chemical industry. Writing on the Australian experience, Mathews (1989a,b) and Mathews, Hall and Smith (1988) frankly admit that only some firms have taken up the initiative in introducing new styles of management. There are, of course, others who subscribe to the post-Fordist paradigm shift. Kenney and Florida (1988, 1989) identify this shift in the emergence of the *Just-in time* and *Total Quality Control* systems in Japanese car manufacturing, and Hirst and Zeitlin (1991) argue for the emergence of a *flexible specialization* paradigm rather than that of post-Fordism. But the evidence of the advocates of a paradigm shift is by no means conclusive, and it is certainly very selective.

On the other side of the debate, Pollert (1988, 1991) disputes the claim of paradigm shift, arguing that in the UK only about 5% of workers are affected. Writing in Australia, Cordery et al. (1992: 268) argue "there was no evidence to suggest that these developments [i.e., the new production concepts] reflected a fundamental shift in the nature of management-employee relations." Bramble (1988, 1989), also commenting on Australia, argues that management there opted for a "more aggressive and adventurous approach to labour relations" (Ibid., 1989: 43). And, furthermore, that this involved intensification of work effort, promotion of flexibility, large scale redundancies, promotion of dual labour markets, and sharp reduction in manning levels (Bramble, 1988: 203-204). In other words, Bramble identifies the intensification of labour effort and job loss as the key ingredients of the presumed paradigm shift. However, the so-called empowerment or increased autonomy of the workers was reduced to enlightening the workers as to the need for sacrifice in the new environment (Ibid.). The important point that Bramble (1989) makes is that it is the economic environment which forces management to cut costs, to downsize its workforce, and to intensify labour efforts of the remaining workers. This insight must lead us to the conclusion that there is, indeed, a deep contradiction between unregulated markets and the

regime of hyper-liberal austerity, on the one hand, and the post-Fordist paradigm shift claims, on the other.

At the same time, there is abundant evidence to suggest that the emerging regime of production is far from a unified model. Harvey (1989) argues that the regime of flexible specialization comprises many divergent production systems, a claim supported by the research done by Schumann and Wittemann (1985), and also by Campbell (1989: 259), who proposes that the "future decades will in fact witness a plurality of production concepts." They include the Fordist mass production, small firm manufacturing, sweatshops, short-term subcontracting, self-employment, and so on. This inevitably produces multiple labour markets, which is clearly a far cry from the post-Fordist claim of a highly skilled and autonomous workforce. Furthermore, the system of industrial clusters, so much celebrated by Piore and Sabel (1984; see also Hirst and Zeitlin, 1991) turns out to be precisely what Harvey defines as post-Fordism--that is, a system of vertically integrated production regimes which includes the whole range of work organizations from mass manufacture to sweatshops. And as Murray (1987) finds in his analysis of the Third Italy, the so-called paradigm shift resulted there in the increase of exploitative labour markets, with further ramifications for segregation of white male skilled workers, white male semi-skilled workers, women, and racially salient southern Italian and North African workers. This latter claim is further supported by Dohse, Jurgens and Malsch (1985) who analyze the Japanese organizational model, just-in-time, as practiced by the Toyota car manufacturers. They found an inescapable connection between multiple production regimes, such as mass production by large corporations, subcontracting to small firms, and sweatshops, on the one hand, and multiple labour markets with the bottom level clearly showing substandard working conditions. It is our view, therefore, that the purported post-Fordist paradigm shift has so far been largely imaginary. Furthermore, given the hegemony of hyper-liberal austerity and the need for global competitiveness in the current economic discourse, it is highly unlikely, if not logically impossible, for new production concepts to become a broadly spread benchmark for the way the industrial workplace might be organized.

Skills and training. But what about the winners? Just how well is the core workforce in the core industries doing under the flexible specialization (or post-Fordist) regime? Here the evidence is also mixed. In this section we will briefly examine three aspects of new production concepts: multiskilling, unification of design and execution of tasks, and high skills requirements.

The recently screened documentary on the changes in manufacturing around the world, *Does Making Things Matter,*[50] described the core workforce in car manufacturing in Germany as the best paid industrial workers in the world. On average they earned $26 per hour. This also included other substantial benefits such as 45 days paid leave per year. On the downside, most recently these workers had to accept 10% cut in their pay, and, at the same time, there has also been a substantial loss of manufacturing jobs--900,000 over the last four years. Yet, leaving aside the negative impact on those workers who lose out in the restructuring, it would appear that the remaining core workers are getting a relatively good deal. However, some analysts (Briefs, 1987) are critical of Kern and Schumann's simplistic analysis, which ignores the fact that in many instances higher skills requirements are illusory or only temporary. He also claims that there is little evidence of any systematic training. The new workers, he argues, need to know less and less about more and more, and in that sense new production concepts simply mean a form of job enlargement. Campbell (1989: 268), drawing on Schmiede and von Griff (1985), argues that the new production workers (i.e., core workers) have lost their workplace autonomy, and that they are "basically instructed workers with a higher base qualifications."

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[50]Shown on Cable TV, PBS Detroit, 21 January, 1996, at 8pm.

A similar conclusion with respect to training is drawn by Curtain (1987), who, commenting on Australia, claims that the evidence suggests that the Australian employers tend to rely on external labour markets rather than on internal training. The *poaching* of skilled labour, rather than a development of integrated training programs would appear the order of the day in Australia.

Dohse, Jurgens and Malsch (1985) find that Japanese workers are multiskilled, and trained to operate multiple, multi-purpose machinery. At the same time, however, they found that not only was the functional flexibility of workers increased, but that such flexibility had the sole purpose of extracting a full 60 minutes of work each hour by each worker (Ibid.: 128). Multiskilling and multi-tasking in the Toyota factory meant a greatly intensified work effort.

Let us then agree that new production (core) workers perform highly complex and multiple tasks, integrated with computer technology such as CNC machines. Integration of these tasks does not require a deeper and vertically integrated knowledge in the sense of craft knowledge, as argued by Piore and Sabel, but rather modularized knowledge in a number of different settings. For the employer, the advantage is increased functional flexibility of workers, who can be easily shifted from one work station to another, as the need arises.

Campbell (1989) further argues that in addition to task-relevant multi-skilling there are also normative elements such as work motivation and loyalty to the firm. In fact, Dohse, Jurgens, and Malsch (1985) observe that in the Japanese just-in-time system it is primarily loyalty to management that tends to be rewarded. Combined with extreme stress and psychic strain, especially as workers have often to double their work effort to cover up for disturbances in the production flow, or even for absent workers (Ibid.), the Total Quality Circle (TQC) environment tends to change the essence of presumed task autonomy and the presumed social interaction and co-operation among workers into a predetermined and fast performed set of sequential tasks, when, at the same time, any individual failure is considered by the co-workers in an antagonistic way, precisely because for them it means extra effort. In fact, far from worker autonomy, the TQC (in conjunction with the disciplining effect of mass unemployment [Bowles, Gordon, and Weisskopf, 1989]) results in worker self-regulation enhanced through the increased technical regulation[51] (Dohse, Jurgens, Malsch, 1985, Campbell, 1989). Consequently, the industrial worker appears increasingly integrated into a predetermined process as just one isolated element, and over which he/she has no control. Such situation, of course, is a far cry from the post-Fordist argument that new production concepts signify a return to a craft-based integration of design and execution of work tasks.

(2) Participation and negotiation.

The issue of participation, democratization of the workplace, and the discourse procedures involved in negotiating the terms of contract between workers and management is at the center of the purported post-Fordist paradigm shift. Looking specifically at the *core workers,* our purpose in this part of our thesis is to outline analytical categories which might help us to unpack this concept of workplace democratization as well as to attenuate its theoretical underpinnings which might shed some light on the workplace restructuring in terms of the modernist concepts of social and moral maturity, social justice, or, to use Habermas' (1984, 1989) thesis, in terms of communicative competence. At the same time our interest is to assess just to what extent can the post-Fordist claim of increased

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[51]For example, the use of "warning lights" above many assembly lines serves not only to indicate problems in the production flow, but also the absence of the red or yellow lights indicates to the management that the workers are not working at their 100% potential, and therefore, the mangement can use the information to increase the speed of the assembly line (Dohse, Jurgens, and Malsch, 1985) without jeopardizing its flow.

participation of workers and devolution of decision-making power to them withstand empirical scrutiny.

Carnoy (1985) argues there is a contradiction between young adults' expectations of what the workplace relations might be and the rigid, hierarchical relations that actually prevail in most work environments. This is because schools in the industrially advanced countries tend to promote values pertaining to democratic participation in the political life of their country. At entering the work environment, young people are, therefore, confronted with this huge contradiction. It would seem that the post-Fordist approach aims at eliminating this contradiction by introducing the democratic procedural principles into the way the technical relations of production are organized. But is it the case?

(3) The empirical research.

Friedman (1986) outlines two ideal-type strategies that management might pursue: responsible autonomy (RA) and direct control (DC). Under RA workers are given responsibility, status, light supervision, and their loyalty to the firm is encouraged but not dictated. The Kalmarian model (Leborgne and Lipietz, 1992) fits into this category. Under DC workers are given specific tasks and are closely supervised. This model corresponds to Taylorism. The key difference between these approaches can be located in the elimination (or partial elimination) of alienation, on the one hand, or in increasing it, on the other. For our purpose, the types of alienation relevant here are alienation from the product and alienation from the fellow workers, including the management (Marx, 1976). TQC aims at eliminating alienation by creating work-stations where workers might interact, in a cooperative way, with each other, and at the same time gain control over the pace of work, and over a larger work task that contributes to the final product. They are also encouraged to interact with the management in a constructive manner. In this sense, alienation from the product and from fellow workers and management might be at least partially mitigated.

In theory, RA represents clearly a progressive development in workplace relations. However, even that approach cannot escape the reality of today's globally competitive market. The management obviously pursues the goal of profitability, albeit they might also be concerned with the welfare of the workers, while the workers pursue their welfare interests. Can these two antagonistic interests meet on a common ground? Indeed, the advocates of post-Fordism claim precisely that (see Mathews, 1989a,b; Piore and Sabel, 1984, Kern and Schumann, 1984a,b, 1987). Yet, as the example of the Kalmar experiment shows, the combined effect of hyper-liberalism and global competitiveness can easily foreclose any aspiration to a human-friendly work environment (Albo, 1994).

But why should this be so? Let us remind ourselves that alienation and worker resistance are caused by a disjunction between individual aspiration to be a free agent, on the one hand, and constraints imposed on that freedom by external agencies, on the other. Now these differences can be partially assuaged through arriving at some form of consensus. When, however, the scope for such consensus has been reduced to "enlightening the workforce as to the need for sacrifice in the new environment" (Op. cit.), and when the itinerant capital can hold local communities to ransom (see Holloway, 1994; Winters, 1993; Palmer, 1995; Burawoy, 1985), the chances for mitigating such differences is minimal. The workers might accept the worsening conditions and even work harder, but they do so not because they found a common ground on which to meet with the management and the capitalists, but because the alternative is to be without a job.

At the same time, as Friedman (1986) argues, the simple dichotomy of RA/DC can rarely be found in practice. DC and RA are best seen as opposite ends of a continuum of practice rather than as all-encompassing strategies (Ibid.: 100). In fact, management tends to tailor modes of control and supervision according to specific needs under specific circumstances. Under the conditions of increased competitiveness, the pressure is to maximize profits through innovative technology and intensification of labour. And here we need to distinguish between *formal* and *real* subsumption of labour under capital (Marx,

1976: 1024). We can define the formal subsumption in terms of individual work effort under Taylorism.

> With the real subsumption of labour under capital a complete (and constantly repeated) revolution takes place in the mode of production, in the productivity of the workers, and in the relations between workers and capitalists (Marx, 1976: 1035).

With the real subsumption of labour, collective workers become socialized and integrated into the capital accumulation process, but on capital's terms. Computer technologies (such as CAD and CAN machines), or multi-purpose machines used in the Toyota just-in-time system, for example, serve to fully integrate the core workers into the production process over which they otherwise have no control (Campbell, 1989). At the same time, the pressure on workers is to employ their personal knowledge to improve the production flows and to "debug" the new production technology (Ibid.: 271). In this sense, the purported RA implicit in the new production concepts signifies what Habermas (1989) calls *colonization of the lifeworld by the system*. We can thus see that under the conditions of intensified competitiveness and hyper-liberal style of governance,[52] innovative technology must inevitably contribute to further or real subsumption of labour. Furthermore, the management themselves have little option but accept the dictum of the global market (Burawoy, 1985).

That this is, in fact, what has been happening over the past decade can be educed from available literature on the subject. MacInnes (1985) found that in Britain most attempts at introducing some form of formal participation and consultation were a failure, as controversial issues were avoided, and the management became increasingly worried about losing their managerial authority. Walters and Heines (1993) found that in Canada among the key constraints on worker participation were the narrow range of options contained within the dominant ideology as well as structural limits. While Robertson and Wareham (1993) found that the introduction of computer technology not only failed to enhance the negotiating power of the workers, but, in fact, helped to bypass the bargaining process all together.

A somewhat different picture, and more consistent with our thesis, is given by Dohse, Jurgens, and Malsch (1985). Post-Fordist and flexible specialization literature unmistakably presents the Japanese just-in-time system of production as a Responsible Autonomy model (see Kenney and Florida, 1988,1989; Hirst and Zeitlin, 1991). Yet Dohse, Jurgens, and Malsch challenge this claim in a decisively fundamental way. To be sure, Toyotism does display all or most of the essential ingredients that the advocates of Post-Fordism claim make it new, innovative, progressive, dynamic and flexible, and also democratic. We have seen above that the sense of job-enrichment under Toyotism is largely illusory. But what about the participation of workers in the decision-making and their collective solidarity? Are these illusory too?

We propose that the key to understanding the Japanese industrial relations system resides in four central concepts: the role of the trade union movement, the system of formal discussions, peer group pressure, and an individualized reward system.

Unlike in most western countries, Japanese *labour unions* do not function as an independent collective voice, but rather are operated by the company's key employees, and consequently the union is not free to articulate independently the collective interests of its employees. The union leaders are typically "cohesive with the company" (Dohse, Jurgens, and Malsch, 1985: 139). Furthermore, the elections of union representatives takes place under close surveillance and typically in the offices of the supervisors. As loyalty to the

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[52]There is a necessary connection here, as hyper-liberalism has the effect of taking away the option for the workers to quit their job should they disagree with the changing working conditions. Hyer-liberalism itself is at least patially responsible for growing unemployment, and, therefore, contributing to disciplining of labour. Without such disciplining the current changes in the workplace would be unthinkable!

firm is the chief determinant of rewards and promotions, any chance of running candidates against the company representatives is practically null. There is thus virtually no opportunity for Toyota employees to articulate their authentic voice as collective workers.

But what about individual struggles? Can Japanese workers assert their autonomy individually? Dohse, Jurgens, and Malsch find that individual workers are under pressure not only from the management and their own union, but also from their *peers*. The disciplined loyalty of Japanese workers is, perhaps, partially culturally embedded, but it is also strongly promoted by the system of controls the firm has over the workers. Because the wage and the general *reward system are highly individualized*, the workers know that their individual welfare depends on their individual assessment by the supervisors. It is, therefore, in their interest to avoid, for example, any disturbances or shut-down in the flow of production caused by their own work-station, especially if these are caused by human error. As individuals, the Toyota workers are encouraged to "eliminate from the work force worthless, parasitical persons", and to "discover and to eliminate unnecessary work sequences and excess motions by workers" (Ibid.: 127). Under such conditions, clearly, any opportunity for developing collective solidarity is eliminated.

Furthermore, the institutionalized and mandatory system of *discussion forums* is primarily connected with personnel evaluation, as they take place in the presence of company representatives and supervisors. There are thus practically no limits to management prerogatives, and management uses this license to "break down the barriers to the liberation of [motivational] components" of effort, loyalty, and discipline (Campbell, 1989: 268-269).

The Toyota just-in-time system is much revered and admired by the Western corporate leaders and by the advocates of post-Fordism. Yet, as we have seen, quite in line with Marx's (1976) thesis, the just-in-time production system unmistakably represents a shift towards a real subsumption of labour by capital. In the case of Toyota work practices, this real subsumption of labour extends even beyond the workplace, "reaching into employees' lives outside the plant, although still connected with the firm's system of sanctions and rewards" (Dohse, Jurgens, and Malsch: 139). In this sense, participation in the firm's activities outside the work hours is practically mandatory. In our view, Toyotism and the just-in-time production regime for which it stands, therefore, represent a very real colonization of the workers' lifeworld.

Our purpose in this section was to establish whether, following the recent restructuring in the industrial workplace, there might be some evidence of increased participation of workers in firms' decision-making and in their own workplace autonomy. What we found was that the claims of the emergence of the "enlightened" new production concepts, which devolve power to the workers and thus effectively empower them vis-a-vis the management, remain mostly unsupported by empirical research. For this reason we concur with the general critique of post-Fordism (see, for example, Campbell, 1989, Sayer, 1986, Harvey, 1989) in that its major claim that there has been a radical shift from Fordist regime of mass-production to a post-Fordist regime of flexible specialization, say since 1970s, is hasty, premature, and certainly empirically unjustified.

But what might the implications of our findings be? After all, as Harvey (1989) observes, and we have seen it happen in our own research, the industrial workplace has been radically changed. The change, however, is markedly different from that theorized by the post-Fordist analysts. We are, therefore, challenging the claim that there has been a radical paradigm shift in the way the industrial workplace is now organized. In this we concur with Wallerstein (1989) and Bowles, Gordon, and Weisskopf (1989) in that the current restructuring does not alter the fundamentally antagonistic social and technical relations of production, but rather stands for heightened polarization between social classes in general, and the workers and the management in particular. Unfortunately, this heightened polarization affects also the labour market itself. Increasingly, the divide between the core workers and the various subdivisions of peripheral workers, and part-time and contract labour has become insurmountable. At the same time, these developments

represent the phenomenon of real subsumption of labour by capital as Marx anticipated in his own analysis of capitalist expansion.

(4) Some theoretical insights.

Prelinguistic and linguistic symbol organization: Furthermore, we would suggest that the key confusion between the progressive language used by the proponents of benign post-Fordism and the actual impact of the changes on the workers can be located in two types of discontinuity immanent in the contemporary public discourse. The first is one between the progressive imagery (intended for public consumption) and the workplace reality which is overwhelmed by demands for global competitiveness. This is the discontinuity we have discussed above. We might further identify two opposing groups which belong in this category: those who are genuinely sympathetic to the trade union cause, but have misunderstood the global, political-economic context of the restructuring, such as Mathews (1984a,b, 1989) or Piore and Sabel (1984), on the one hand, and the agents of global capital (e.g., OECD, 1989a,b) who appropriated the optimistic reading of the former to pursue the hyper-liberal agenda of workplace restructuring, on the other. The latter are concerned with manipulating public opinion in order to achieve private (that is, hidden from public gaze) goals.

The second type is the discontinuity between the preconscious (non-linguistic) understanding of social reality and conscious (linguistic) articulation of that reality which is, however, invested with borrowed, progressive imagery which bears no resemblance to its preconscious form.

What do we mean by *prelinguistic symbol organization* (Habermas, 1972)? This is that part of our psyche which contains the emotions and motivations associated with our upbringing, with our formative but also current experiences. It constitutes the psychic matrix of cultural capital (Bourdieu, 1986), one re-enforcing the other, so to speak. Here can be found the underpinnings of our basic attitudes, such as, for example, a view that poverty is caused by laziness, or that apposition of scarcity and ostentatious wealth is good, that it provides the necessary foundation for refined judgment (Hume, 1970). This is then where fundamental conservative or neo-liberal values are located, but in their "archaic" form; that is, they cannot be accessed through language, and, therefore, cannot be dealt with at a rational level. These are "bodily attitudes and dispositions" (Fay, 1987: 150), which could be unlearned only through some traumatic experience which might *physically* confront them. The great novelists of our time have understood this connection between the somatic and the mental. The transformation of Pim in Charles Dickens' novel, *The Great Expectations,* illustrates our point. In this sense, the profoundly anti-social, austere radicalism of neo-liberals cannot be dealt with rationally, as it appeals to the prelinguistic sphere of deep-seated fears, longings, or ambitions. A personally held belief (say by Conrad Black[53]) that it is the capitalists' and the management's prerogative to organize the production process in a way to maximize profits, and that the only right the worker has is to sell or not sell his/her labour could, in this sense, be *reformed* only if their holder confronted them (and thus his/her identity) through a physical experience, such as, for example, being thrown into abject poverty and having to compete with others for scarce jobs.

The deep-seated antagonism of many workers towards the capitalist and managerial class is also located here. The prelinguistic symbol organization thus constitutes the matrix of class antagonism.

This antagonism might come forth at times of open social conflict such as during a revolutionary period. But the 1980s were far from revolutionary times; that is, in the sense that the deep-seated class antagonism might have come forth. Even though some on the

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[53]Conrad Black is the chairman of Hollinger Inc. and holds an interest in more than 500 newspapers around the world. He is also a key organizer behind the Bilderberg Conferences. Bilderburg Conferences are one of the key agencies promoting the hyper-liberal-austerity agenda (see van der Pijl, 1989).

Right side of the political spectrum might have been in a revolutionary mood--note, for example, the phenomenon of Gingrich, Klein, or Harris "revolutions"--the mainstream "reformers" tend to tread a far more cautious path. This is, of course, quite clever, as the "most obvious technique for the holders of current power to construct new veils would be to take the lead themselves in destroying the old system in the name of constructing the new one" (Wallerstein, 1988: 81). And too much sudden radicalism might unleash social forces too difficult to control. The extreme Right, nevertheless, do have a role to play--they articulate the unthinkable, that which is still beyond the imaginary of the mainstream population, of the workers. And if the claims of deficit reduction, global competitiveness, and the need for tightening ordinary citizens' belt are said often enough, the main stream might accept them in the end. The New Right (Reform Party in Canada or New Republicans in the USA, for example) fulfill precisely the function of attenuating the imaginary of what could be thought. Yet, oddly enough, no one seems to question the fact that the very same people who created the old veils might now want to construct new ones (Ibid.). How is this possible?

Here we might return to our initial concern with the post-Fordist separation of the motivational basis and the actual outcomes with respect to new production concepts. What was once functional for worker control and valorization of capital--i.e., Fordist mass-production regime--now needs to be *desymbolized.* The old conservative system of values and believes, which was so neatly wrapped in the Keynesian hegemonic project, now needs new packaging. Out goes the welfare state, the security income, the institutional arrangements which allowed for collective bargaining at a national level, and the universal provision of education which allowed at least some modicum of economic success for those who otherwise could not afford higher education. The process of capital accumulation, with its appendages of social hierarchy and subordination-domination relations in the workplace, has been stripped bare of its linguistic symbol which stood for social equity, democracy, and the modernist aspiration to self-realization at both individual and societal levels. Having accomplished this feat through a systematic attack on the welfare state and on industrial relations underpinned by the Keynesian institutional arrangements, the *capitalist greed* has now been successfully re-symbolized as a hyper-liberal regime of austerity, whereby workers have been stripped of virtually all rights to voice their collectively felt sensibilities, their concerns with their own welfare, and with the impact of heightened capitalist competition on the society in general as well as on the environment of the planet.[54]

The analysis of tension between deep, nonlinguistic structures and their linguistic equivalents then is one way of understanding the radical developments in the contemporary industrial relations. But can we argue that one linguistic symbol representation is more valid or appropriate that the other? Of course, we cannot do this in some absolute way. Taking our cue from Habermas (1972: 146), we can, nevertheless, claim that the closer the correspondence between the embodied motives (i.e., motives immanent in the prelinguistic symbol organization) of the actor(s)-speaker(s) to publicly stated views and attitudes which guide social action, the more likely it is that such social action might result in increased social justice.[55] Conversely,

> the greater the share of prelinguistically fixed motivations which cannot be freely converted in public communication, the greater the deviance from the model of pure communicative action.... [and, furthermore] these deviations increase correspondingly to the varying

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[54]Note, for example, that the Klein government in Alberta has now deregulated the system of controls over the emission of industrial pollution.

[55]For the sake of clarity of our argument, we are disregarding here instances of regimes of extreme polarization, such as Fascism, which often tend to thrive on publicly flaunted deviance. In these cases, the anti-social is considered "good", and thus there is no need for the social deviants to hide it.

> degrees of repression which characterizes the institutional system within a given society (Habermas, 1972: 146).

The question thus arises whether it is possible to create situations in a workplace where the interests of the workers and the management could *truly* coincide? Truth as such is, of course, a notoriously elusive phenomenon. We can, nonetheless, at least attempt to provide a theoretical framework for approximating it. We propose to do this through Habermas' (1972) concept of *ideal speech situation* or pure intersubjectivity. It is to that issue that we now turn.

Ideal speech situation: First of all, we need to acknowledge that ideal speech situation is a theoretical construct. At a theoretical level it does, nonetheless, indicate a measure of approximation between actor' motives and publicly stated goals. But this, in itself, is not sufficient for creating a situation conducive to pure intersubjectivity, especially where contradictory or antagonistic goals among actors might exist. Something else needs to happen. And for that something to happen there needs to be a symmetrical relation between social actors. Before we address the issue of symmetrical discourse procedures, we must at least briefly outline the competency criteria which need to be satisfied if an ideal speech situation is to be approximated. There are four competency domains: egological, intersubjective, linguistic, and cognitive.

First of all, an ideal speech situation presupposes a successful *identity formation* (ego development) of social actors. Within the framework of communicative competence refers to the validity claim of *truthfulness;* that is, the actor says what he/she means.

Secondly, the mastery of an ideal speech situation further involves an intersubjective competence, a notion immanent in the language. By this we mean that the speaker, apart from saying something, is always involved in producing a speech situation, or the structure of intersubjectivity. Communication, therefore, must consist of both speech and interaction. What makes speech interactive is its *illocutionary force,* which means that in addition to its *propositional content*, speech or utterances contain an *offer* that can be accepted or rejected (Habermas, 1979: 59). The linguistic representations of such illocutionary force are *dialogue constitutive universals* (Habermas, 1972, 1979). It is these dialogue constitutive universals that establish a specific form of intersubjectivity or discourse between speakers. Briefly, there are four categories of dialogue constitutive universals: (i) personal pronouns, (ii) deictic expressions,[56] (iii) forms of address, question, and answer, and (iv) differentiating expressions, such as claim/dispute, reveal/hide, and ought to be. On the basis of these universals, it is possible to analyze any discourse structure in terms of symmetrical relations between speakers. Returning to the concept of ideal speech situation, we would like to add to the as yet incomplete definition of the concept a claim that an ideal speech situation requires a "complete symmetry in the distribution of assertion and disputation, revelation and hiding, prescription and following among the partners in communication" (Habermas, 1972: 143). The corresponding validity claim is concerned with the right of the speaker to take part in an appropriate manner in the discourse.

The notion of *cognitive competence* is concerned with operations of thought, of cognitively processing experiences, and of instrumental action. The corresponding validity claim is *truth*. The *linguistic competence* is concerned with the production of phonetically and grammatically well-formed sentences. The corresponding validity claim is *comprehensibility*.

The mastery of the four fundamental competencies constitutes a *communicative competence*. To be communicatively competent, therefore, means to be able to take part in discourse while acknowledging others' right to equally contribute to that discourse. In our society, and this applies equally to the workplace situations, such discourse tends to be

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[56]These include demonstrative expressions of space and time (both 'experienced' and measured) as well as articles and demonstrative pronouns (e.g., this, that, those).

delimited by institutionalized procedures. Typically, such procedures tend to privilege some actors and disadvantage others. We have seen, for example, that in the pre-Keynesian and post-Keynesian public debates it was the Treasury officials who in countries such as Great Britain, Australia, Canada, or New Zealand enjoyed unparalleled privilege in determining economic policies. Within the present context of industrial relations arrangements under the just-in-time production regime, once again, we can see great asymmetry in the way the technical relations of production are organized. Such asymmetry is clearly obvious in the management's direct control over the speed of the production flow, in the discussion forums where the individual contributions (in so far as they display or do not display a subordinating attitude to management's goals) are linked with workers' awards, or in management's control over trade union activity.

Furthermore, drawing on the discussion above, we might even argue that in this case management actually manipulates the prelinguistic symbol organization of workers (i.e., their embodied subjectivities and motivation), as, for example, in the case of putting pressure on them to exert peer pressure on each other in order to maximize work effort--the barriers to the subjective and motivational components of effort are being broken down in order to alter and liberate them.

What conclusions can we draw from our discussion of the post-Fordist form of worker participation? We would like to make two points here. Firstly, in the instances we have looked at, such participation is by and large illusory. In other words, the linguistic signifier "participation" is present, but it is attached to a contradictory prelinguistic symbol "subordination".

Our second point is concerned with future possibilities. Given that the management's and the workers' antagonistic subjectivities, their motivational matrix, are embodied, and therefore cannot in any practical sense be resolved through purely rational discourse, we should try to imagine (in a radically innovative way which must go beyond currently embodied attitudes towards technical division of labour) what changes would need to happen for a more authentic worker participation to occur?

In our view, the barrier between mental and manual work needs to be broken down. This needs to happen not only within the context of shop floor operations, such as in the case of Total Quality Control, where the workers become responsible for production, maintenance, and quality control (see Sayer, 1986, Coriot, 1984), but also in the sense of braking down the division between senior management and the shop floor operations. This is an important point, as corporate policies are invariably determined at the boardroom level; that is, by people who embody attitudes physically severed from the shop floor experience.

Unfortunately, as Useem's (1990) research shows, such physical separation has been increasingly the trend in the way the US corporations were managed in the 1980s, as financial concerns overtook production concerns. These developments are clearly consequential to the deregulation of global production and trade. We would further argue that such developments put an enormous pressure on what is perceived by the management as feasible in terms of the organization of the production process, and in terms of the working conditions for the workers. It is imperative, therefore, that as a global society we *get a handle* on this increasing competitiveness. Putting in place some sort of global regulation is then the first step.

The next step needs to involve a more interactive relationship between the shop floor and the top management. Let us remember that we are concerned with changing the embodied conservatism of the companies' policy-makers. We would argue that in order to introduce worker-friendly changes in the workplace, the Chief Executive Officers (CEOs), and other levels of management, need to *get their hands dirty,* and in the process and under conditions of "complete symmetry in the distribution of assertion and disputation, revelation and hiding, prescription and following among the partners in communication" (Op. cit.) be exposed to views embedded in a motivational matrix different or even contradictory to theirs. It would be also enormously beneficial if the CEOs had to wear

dirty overalls during such debates, as this would strip their bodies of immanent signs of power. There are, then, some possible strategies which our society could adapt in order to redress the destructive impetus the current economic restructuring has had on our global community.

Promotion of such strategies would also have radical implications for the way we educate our children and train our teachers, particularly with respect to fostering communicative competence. The form of pedagogy is important because it shapes the way we learn and understand the world around us, and, ultimately, the way we interact with other human beings. As we express our lives, so we are; that is, who we are coincides with what schools (and other cultural institutions) do to us, both in terms of what we learn and how we learn it (cf. Marx and Engels, 1967: 7). The problems associated with social and technical relations of production, with the austere division between mental and manual workers, and with the inability of the managerial class to even imagine the type of discourse which involves those who are affected by such decisions--the workers, those problems can be traced to educational experience which helped to embody the attitudes associated with social divisiveness, hierarchical ordering, and a formal-instrumental mode of social interaction (see, for example, Anyon, 1980, or Bowles and Gintis, 1976).

There are, of course, structural impediments which would invariably frustrate such progressive social action. But as Giddens (1984) points out, social actors are at least in part the very bearers of those structural impediments--they carry them in their heads. And in this sense, too, the social structures which underpin the existing social relations of production are embodied. Unless people's thinking is freed of this structural burden (cf., Marcuse, 1973), and this is precisely the reason why our schools must promote the notion of intellectual autonomy, those structural impediments will prevail[57]. Should, therefore, the regime which will ultimately replace Fordism genuinely aspire to break down the barrier between manual and mental work, and between social classes allocated to carry out those respective roles, our schools must foster the type of attitudes and values which would help to institutionalize participatory management in the workplace in a radically different way from that promoted by the purveyors of post-Fordist social and technical relations of production--the lifeworld needs to penetrate the system, not the other way around.

Encouraging participative pedagogy (see Young, 1990), would, of course, mean a radical departure from the formal, back-to-basics, work-skills training currently in vogue with our political and business representatives. More concretely, our schools will need to place more emphasis on fostering in our children (and future workers) the capacity to take part in discourse without a preconceived agenda or goal, and to learn from it about other people's views on specific issues, and try to understand them rather than to pursue a monologically defined purpose (see Habermas, 1984). But more about that later. The task at hand is to deal with post-Fordism itself. In the next section we will examine the ways in which post-Fordism presumes to tackle, and, perhaps, even resolve the contradictions which brought down its predecessor, Fordism.

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[57]This, of course, touches directly on the problematic of self-estrangement theory. In general, our own view on this subject tends to coincide with the Critical Theory espoused among others by Habermas (1984, 1989, 1990), Wexler (1985, 1991), and Marcuse (1973). At the same time, however, we concur with Fay who argues that Critical Theory needs to be augmented by a theory of somatic knowledge (see Fay, 1987: 213). Understanding of the "embeddedness " of social agents' knowledge, therefore, constitutes a theoretical field of knowledge equivalent and complementary to the knowledge of objective social structures. Speaking metaphorically, we might say that bringing in the notion of somatic knowledge constitutes a reunification of an age-old dichotomy of mind and body.

6
CAN POST-FORDISM RESOLVE THE CONTRADICTIONS OF CAPITALISM?

We have seen that the purported new post-Fordist regime of accumulation assays to combine new technologies, new patterns of demand, and new ways of organizing the technical relations of production. It also claims that such a combination of productive forces should help to realize the social democratic dream of reconciling the interests of capital, which are primarily about making profits, and the interests of the workers, who are presumably chiefly concerned with their own welfare. On the other hand, post-Fordist analysts (unlike the promoters of hyper-liberalism) acknowledge that there will be losers who either will not benefit from the structural economic and social adjustment or might even be left out of the mainstream economic and social life altogether (see Kern and Schumann, 1984a,b, 1987). Post-Fordism thus fails to address the problematic of balancing the supply and the demand within a broader social context, a significant flaw with potentially tragic consequences for many human beings. Neither does post-Fordism address the issue of heightened competition among surviving capitalists. What it does claim to address, however, are (1) the issues of class struggles, (2) degradation of work, and (3) democratization of the workplace. We have discussed claim (3) in the preceding section, and, therefore, will not address it here. Our concern in this section will be with (1) and (2). In the final part of this section we will also look briefly at the prospects of post-Fordism in relation to its failure to offset the tendency towards a diminishing aggregate demand.

6.1. The class struggle between capital and labour.

Post-Fordism is presumed to have reconciled the antagonistic interests of capital accumulation and workers' welfare. Can this claim be sustained in the face of empirical evidence? The claim is underscored by an assertion that the objective conditions of capital accumulation have changed in a fundamental way. They have changed because now, it is argued (Piore and Sable, 1984, Kern and Schumann, 1984a,b, Hirst and Zeitlin, 1991), both the management and the capitalists, and the workers need to combine their efforts to maximize profitability in order to remain competitive. To maximize profitability, management needs to tap into workers' knowledge. And to be able to do that, the management must give the workers something back in return. By this something is meant increased autonomy and rewards. Hence the workers have been empowered vis-a-vis management. This line of reasoning is underpinned by new economic and social theories such as transactional analysis, public choice theory, or games theory. These theories assume that social actors make rational choices according to their own goals, ambitions or aspirations. They also assume that these *rational games* are played on a more or less equal playing field.

There are some major problems with this line of argument. And it concerns not only the core workers (post-Fordist claims refer exclusively to the core workforce), but all workers. We have already dealt with the difficulty of conceptualizing social actors in purely rational terms. In our view it is entirely inappropriate to leave out of the analysis the

embeddedness of class antagonism and of personal histories of individual social actors. The theories based on pure rationality simply skip over what we have earlier identified as a prelinguistic symbol organization or *pre-rational knowledge,* and consequently disallow themselves from understanding the full complexity of the transactions or negotiations in which the workers and the management appear to be involved. There are, however, two other key problems with the post-Fordist claim that post-Fordism has succeeded in dissolving class antagonism: that the objective conditions of capital accumulation have been radically changed, and that the power of corporate capital has been diffused, and that as a result smaller investors and core workers have been empowered. Last but not least, these claims are underscored by a resurrected human capital theory. We will discuss these three issues below.

(i) Firstly, the *objective conditions* of capital have changed, but not in a way that would advantage the workers vis-a-vis capital. In fact, the power of investment capital vis-a-vis local communities has increased incommensurably. At the level of global investment decisions, the nationless capital commands an unprecedented advantage against nation-states, which "must bend to the restless capital," which, like flies, swarms in search of a new home (Holloway, 1994: 40-41). That the liberalization of finance, production, and trade empowered capital, not the nation-states is well recognized by many analysts (see Burawoy, 1985, Harvey, 1989, Cox, 1991, Albo, 1994). In practice, this typically means that nation or local states adopt open door policies to attract foot-loose industries to invest there. One consequence of this approach, adopted for example by Alberta with its focus on Alberta investment advantage, is a significant loss of revenue for the national (or local) states in terms of forfeited corporate taxes. Pratt (1994) describes the "cozy" deal the Getty government entered into with the Japanese Mitsubishi Corporation with respect to financing the Crestbrook Athabasca pulp and newsprint mills. According to Pratt, with the Getty government's approval, Mitsubishi was able to gain complete control over Crestbrook pulp production and pricing: "Crestbrook was required to sell at a discount to Honshu and Mitsubishi all of the mill's output of market pulp over twenty years" (Ibid.: 144). In any practical sense, this was a standard "transfer pricing" arrangement, whereby Mitsubishi minimized its costs in Alberta (by paying lower corporate taxes because of the discounted pricing, and this in an already low tax environment), and maximized its profits by reselling the pulp on the world market through its subsidiaries in tax havens (e.g., Singapore, Hong Kong, or Cayman Islands), where there are no taxes or very low taxes on trading transactions. In other words, the "sales agreement had been used to discount prices excessively and to move profits out of Canada. This is in addition to discounting the price of the natural resource itself--wood costs in Alberta were 40% lower than in British Columbia (Ibid.: 145).[58]

Admittedly, post-Fordism need not necessarily result in what, in this case at least, would appear either as incompetence or a corrupt governmental practice. The point, however, is that post-Fordism is a global phenomenon and cannot be empirically separated from the effects of globalized markets. The celebrated flexibility it offers, in fact, helps corporations such as Mitsubishi to minimize the benefits local communities might gain through created jobs. At the same time, in order to stay competitive, the corporations themselves might not even have the luxury of dealing with the investment, trade, and industrial relations issues in a fair and equitable way. And we have already seen that in Australia, for example, the so-called empowerment of workers means no more than the right to be enlightened about the need to work harder for less (Bramble, 1989). As our final comment, we would like to argue that there is nothing in the way the objective relations of accumulation have changed that would suggest that workers are in a stronger position today than they were under Fordist workplace arrangements.

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[58]See also Winters, 1993, and Palmer, 1995, on empowerment of capital vis-a-vis local communities.

(ii) The second point refers to the problematic of *social relations of production.* For Marx (1976), the social relations of production were embedded in a fundamental class division between the workers and the bourgeoisie. This class division broadly corresponded to the way jobs were allocated to individuals, with the educational system acting as a crucial mediating agency in a way described by Bowles and Gintis as the correspondence principle. Thus, on the one hand, there are the subordinate classes who aspire to and generally end up in low paying jobs, with almost no investment income to be added to their meager earnings, and, on the other hand, we have the dominant class with professional jobs and investment or rentier income. According to Wolff (1987: 136), the top 5% of population in the USA controls 41.2% of total wealth, 23.2% of money income, 63.5% of corporate stock, 38.7% of debt instruments, and 22% of real estate. Eaton and Stilwell (1992) also show a radical shift towards a concentration of wealth in fewer and fewer hands in Australia over the last 10 years. According to them, the richest 10 individuals owned in 1983 AUS $870 mil., but by 1992 they owned $10,135 mil. At the same time, the share in the total wealth of the 100 richest individuals rose from 25% to 50%. This represents a remarkable shift in the concentration of wealth in that country.

Furthermore, this pattern of wealth distribution would hardly inspire confidence in the claims of some analysts, who, in a similar vein to Kern and Schumann (1984a,b), proclaim the end of the division of labour, or alternatively, as Drucker (1993: 4), argue that today we are entering into the era of new social relations of production which might best be described as a post-capitalist society, or "a system in which transnational, regional, nation-state and local, even tribal structures compete and even coexist," presumably on equal terms. Reich (1991: 98-104) similarly argues that the social relations of production have been radically altered in favour of small investors and the so-called symbolic analysts. He claims that 85% of profits from semi-conductor manufacturing goes to designers and engineers and only 5% to the corporations. This type of analysis, of course, does not sit very well with the contrast of accumulated riches by individual entrepreneurs such as Bill Gates, and increasingly disenfranchised workers who did not have the fortune to become symbolic analysts. Even by Reich's own admission their number, which he estimates currently to be about 20% of all workforce in the USA, will gradually diminish as more powerful computers will gradually incorporate the skills of today's computer software designers. Kern and Schumann (see Campbell, 1989) do not disagree either, as they perceive one of the tasks of computer analysts and software designers to be to debug the computerized production lines and thus virtually put themselves out of work.

Technological innovation then also impacts on the social relations of production in a way that would suggest a disempowerment rather than empowerment of core workers. Add to it the growing disparity between the rich, the workers, and the poor, it would indeed require a long stretch of imagination to argue that the social relations of production under global post-Fordism have somehow lost the sting of class antagonism. Yet Drucker and Reich claim that today we live in a classless and presumably more equitable society. In our view, we cannot find any evidence of post-capitalist relations of production. On the contrary, the evidence suggests that the social relation of production have been further polarized over the period of the last ten years, even though some core workers might have come out as winners. Nothing fundamental has then changed in the objective conditions of capital accumulation, except that the heightened competitiveness among firms and the growing army of the unemployed have placed the trade union movement in a no-win position: either accept the real subsumption by capital, or become unemployed. The argument of a post-Fordist "common purpose" pursued by workers and, dare we say, capitalists is thus left hovering in the air, threatening to bounce back on the heads of its purveyors.

(iii) Lastly, the post-Fordist claim of putting more emphasis on *knowledge of workers* is true only to some extent. We have seen in our discussion of industrial core workers that in many instances the integration of tasks requires that they know increasingly less about more. Also empirical evidence which would support the presumed emphasis on

re-training or reskilling is not forthcoming (see Campbell, 1989). Yet the debate about industrial relations, training and education, at the official policy level at least, is laden with post-Fordist terminology linking reskilling, multiskilling, autonomy, high-tech literacy, and so on, with the New Growth Theory and, especially, with the resurrected Human Capital Theory. This linking is, perhaps, most succinctly put by Drucker (1993: 66):

> The transition period was painful, and in about half the cases the new job did not pay quite as much as the old one and may not have been as enjoyable. But laid-off technicians, professionals and managers found that they had the "capital"--their knowledge; *they owned the means of production.* Somebody else, the organization, had the tools of production. The two needed each other. By itself, neither was capable of producing. Neither, in other words, is dependent or independent. They are interdependent. (Emphasis added.)

Drucker, in fact, puts the worker on a par with corporate capital. It might please the workers to be portrayed as owners of knowledge capital, but surely it does not help them much when their community is being pitted against another, as was the case of the General Motors plant in Willow Run, whose plant was to shut down and be moved to Arlington, regardless of the skills and experience of the workers in the Willow Run plant (see Winters, 1993). Here the real question is not about the tyranny of capital mobility over local communities (Burawoy, 1985), but about the presumed symmetry of power between *workers' capital* and *capital's capital.*

Drucker (1993) and Reich (1991) refer to professional workers--technicians, managers, symbolic analysts, brokers. The post-Fordist debate, however, does clearly include the core industrial workers in the category of knowledge workers (see Piore and Sabel, 1984, Kern and Schumann, 1984a,b). Furthermore, as Fitzsimons and Peters (1994) show, the human capital theory is well alive in the educational policy debate in New Zealand. And a cursory look at the educational and training debates in Australia, the UK, Canada or the USA will suggest that the same is true of these countries, too (see Mayer, 1992a,b, Collins, 1993, Ashenden, 1991, OECD, 1993, Ball, 1990, ACR & AE, 1992, or Klein, 1994).

We do not disagree with the claim that investment in personal development "enhances the value of the human person and that as a consequence of market influences there has been a 'secular rise in the economic value of man'" (Lane, 1991: 19; the quote within is from Schultz, 1971). Our point, nevertheless, is that it is entirely inappropriate to reduce the notion of investment in human enterprise to purely economic issues, as is the case, for example, with the OECD policy document, *Education and the Economy in a Changing Society* (1989). In that document, OECD proposes to correlate all investment in human capital which comes out of a public purse with two key economic indicators: labour market and relevance to marketable skills. In other words, only those skills that can be sold in a free market are to become a part of instructional curriculum in our schools and training institutions[59]. No provision appears to have been made for that part of human enterprise which has to do with being able to live in a culturally sophisticated, democratic community. But the domains of personal development which we have identified earlier as *communicative competencies* clearly constitute an inescapable part of human enterprise. And it seems to us, especially as the current post-Fordist debate is so much preoccupied with the phenomena of team-work, cooperation, participation, and a positive, outgoing personality (see, for example, Reich, 1991, Mayer, 1992a,b), that these aspects of human capital need also to be addressed in our educational policy[60]. And because it will be largely

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[59]In this context, it might be useful to note that the economically successful training programs in Germany do incorporate a significant proportion of general (as opposed to purely vocational) skills (see Mahnkopf, 1992).

[60]Most of all, the pedagogy of achieving these outcomes must be made problematic (cf., R.S. Peters, 1965, Carr and Kemmis, 1986).

the society as a whole rather than individuals who will benefit from such investment, its cost ought to be borne by the whole society (cf., Lane, 1991: 20).

Furthermore, precisely because the market is incapable of promoting the intrinsic human values pertaining to personal development, human happiness, and our capacity to relate to other human beings in other than economic terms, leaving the task of skills development to the market is, to say the least, unwise. But this is exactly what some post-Fordist promoters advocate. In fact, perusing some of the policy proposals, such as, for example, Ashenden (1991), would be really quite amusing if it were not for real. What Ashenden proposes is a *banking system* (cf., Freire, 1970) for registration of individual skills. The individual skills modules are referred to as "currencies", and the total accumulated skills held in their "banking account" as "currency holdings" (Ashenden, 1991: 21). Leaving aside the issue of a rather conceited linguistic style, the principle itself is not entirely without merit. But has not this been a standard practice of employment agencies under Fordism? If so, what then is new about Ashenden's argument?

We would like to argue that the problem with the human capital theory as it is incorporated in the hyper-liberal agenda of the present restructuring of work, education, and training, especially in the way these activities are portrayed as over-determined by the market, is embodied in two areas: language, and what is left out of the educational and training activities.

First, it is an accepted fact that language contains elements of a conception of the world (Gramsci, 1987: 348; Giroux, 1988: 191). To become ourselves, to develop a sense of identity, we use language. As the language is thus actively involved in constructing our meanings, it effectively directs and shapes the way we conceptualize the world. As Jackson Lears (1985) argues, language becomes a political player in the negotiation of power relations in a society by marking

> the boundaries of permissible discourse [and] discouraging the clarification of social alternatives, [and thus] making it difficult for the dispossessed to locate the source of their unease, let alone remedy it (Jackson Lears, 1985; quoted in Giroux, *Ibid.*: 191).

To describe personal development of our young population in terms of usefulness to corporate capital then limits the visionary aspect of public discourse with respect to future possibilities of our social and moral development. And it also tends to legitimate what is being done to our educational institutions--as we speak, so we think, and so we are.

Secondly, the exclusive focus on vocational skills leaves out the skills related to personal, social, and moral development. The instrumental problem-solving skills, deprived of social, moral, and personal contexts cannot, by definition, lead to the development of intellectual autonomy, of critical thinking. But then, perhaps, that is the true purpose behind the hyper-liberal restructuring of our workplaces and education and training institutions--to produce reliable, loyal, punctual workers, able to take directions (see Reich, 1991: 175, especially the definition of "old foot soldiers" and "service jobs"). And might we add, workers who are uncritical and unthinking. Such generically-skilled workers would, of course, be ideal for the post-Fordist workplace. And this is the other aspect of the post-Fordist agenda--the so called autonomy in the workplace turns out to be a *tool of self-discipline* (Coriot, 1984, Dohse, Jurgens, and Malsch, 1985).

Within the narrow context of post-Fordist thinking, there is therefore no salient contradiction between the self-disciplined autonomy and the labour market. Yet if Lipietz (1992) is right in saying that Fordism collapsed precisely because it dehumanized the worker, and thus caused him/her to become inefficient, whether post-Fordism can get around that very same dilemma becomes rather problematic. In our view, the difficulty with post-Fordism dwells precisely in its narrow conception of what it means to practice workplace autonomy.

It thus needs to be admitted that in theory at least the post-Fordist emphasis on human capital does address the key contradiction exposed by the collapse of Fordism. This was

the contradiction which caused the fall in the general rate of profit, and which we have identified as the rising ratio in the organic composition of capital (i,e., the proportion of constant capital to variable capital). This is clearly apparent in the post-Fordist emphasis on task enlargement, whereby the worker operates concurrently several multipurpose machines (Coriot, 1984). This tends to reduce capital investments in ever-increasing technological sophistication of machines. At the same time, a larger and cheaper workforce broadens the scope for the extraction of surplus value. As we have seen earlier, no surplus value can be extracted from the machines as such; that is, given that all other competitors use comparable technological means of production. Nevertheless, a salient tension emerges in consequence of continuous competitiveness under post-Fordism, as individual firms must constantly seek some form of competitive advantage (Offe, 1975), and there are clearly limits to how far the intensification of work effort could be pushed. It is thus by no means clear that the strategy of multipurpose machinery and multiskilled workers can be sustained in the face of competitive pressures. And if it cannot be sustained, then the strategy itself is unlikely to resolve the contradiction between the tendency of the general rate of profit to fall and inter-capitalist competition--that is, the ratio of constant to variable capital will continue to climb. The other question, of course, is whether workers themselves might be able to keep up with the increasing intensification of their work efforts. This is the issue we will turn to now.

6.2. Improvement or Degradation of work.

Perhaps the most challenging claim raised by the post-Fordist debate is the argument that post-Fordism, a more flexible organization of work, reverses the previous trend of separating execution of work tasks from their conception. It is argued that the Taylorist strategy of increasing productivity as well as control over workers has now become counterproductive. To stay in business, firms now need to rely increasingly on workers' skills and knowledge. To liberate these in a productive sense, workers are given increased control and autonomy over how they accomplish their tasks. And to buy their loyalty, their quality of work-life had to improve and their rewards increased. As Drucker (1993) argues, the core workers have now become major stakeholders in the firm's struggle to gain a competitive edge.

Our task in this section is to examine whether the above claim can be redeemed in the face of empirical evidence. We propose to approach this problematic via bipolar thematization of the key issues. The themes are as follows:

- reskilling vs. deskilling
- work autonomy vs. routinization of work
- quality of work-life vs. intensification of work
- increased knowledge vs. decreased knowledge

Within the context of the post-Fordist restructuring of the workplace these themes do inevitably overlap, and consequently will emerge in our discussion as we come across them.

(1) Defining skill

How do we define work skills? Braverman (1974) emphasizes worker *autonomy*. According to him, the general trend in capitalist production has been from craft-based autonomy towards increased separation of execution of work tasks and their conception or design. This is caused by two key phenomena--increased competition in the global market and the need to control workers who feel increasingly alienated from their atomized work tasks. Spenner (1990) argues that it is the *substantive complexity* of what workers do that defines the level of skills required. This view is, more or less, echoed by the current resurgence of *human capital theory*, represented, for example, by the OECD labour market analysis (OECD, 1989a,b and 1993; see also Fitzsimons and Peters, 1994). Steinberg

(1990) and Wajcman (1991) argue, on the other hand, that the definition of skills is a *social construction.*

This latter view is also advanced by Carchedi (1975, 1977), who argues that all skilled labour is subjected under capitalism to the constant tendency to devalue labour power to the average value of labour power. Carchedi argues this point particularly in reference to professional workers, such as teachers, for example. In relation to the social construction of skills, he claims that it is the relative proximity to the pure global capital that tends to define the value of the actual skill. In other words, the more indispensable the skill is to the valorization of capital, the more highly valued it is. This would clearly explain the increasing polarization and segmentation of the labour market, especially in reference to the division between the core workforce and the rest. In this sense, too, neo-Weberian analysis (see, for example, Archer, 1984, or Ranson, 1984: 234-235) can be used to explain the post-Fordist emphasis on the *transactional* exchange between core workers and the management. If the core workforce, indeed, monopolizes knowledge and skills deemed invaluable by the management and capitalists, then the workers might be able to expand their autonomy and rewards in exchange for loyalty and increased work effort. Nevertheless, we still need to bear in mind that even in the neo-Weberian analysis the tendency towards the devaluation of labour power still prevails. Here we thus have a clearly defined tension between capital's need to coopt the workforce in order to maximize valorization of capital, on the one hand, and the pressure to devalue labour power in the face of capitalist competition and technological innovation, on the other.

In our view, skills are socially constructed, but this process must invariably take into account also the notions of autonomy, complexity of the task, and its value to capital accumulation. Furthermore, the process of putting a value on individual skill categories grows out of political struggles, employers' desire to control production (Steinberg, 1990), and capitalist competition. Consequently, the neo-Weberian claim posited by the post-Fordist debate--that the core workforce, by virtue of having monopoly over knowledge and skills needed by firms, has been politically empowered--is guilty of a logical fallacy: it uses the notion of capitalist competition as a determinant of workers' empowerment, but it leaves capitalist competition out of the equation at the moment of determining, from the firm's point of view, just how much can the firm give in to the workers' claims. It might even be the case, as Schumann and Wittemann (1985; see Campbell, 1989) argue, that capital is indifferent to the consequences for labour of its strategies to maximize profits. If, however, such claims are contradictory to the firm's competitiveness, then the workers' demands cannot be allowed. And that this, indeed, has been the trend in the so-called post-Fordist restructuring is evidenced in the literature dealing with the labour process. This is also why the issue of democratization of the workplace and participation of workers in the process of restructuring are so critical to the post-Fordist developments. But let us now look at the issue of re-skilling and autonomy.

(2) Reskilling and autonomy

By now the post-Fordist argument about re-skilling should be well understood, and we will not reiterate it here. Our purpose will be to seek empirical evidence which might support or disapprove it.

For Braverman (1974), the ideal-type of a skilled worker was a craftsperson who exercised complete autonomy over the conception, execution, and the pace of the work task. Admittedly, this is rather a romantic and dated view of an autonomous worker. As an ideal-type projection it might, nevertheless, prove useful in understanding the changes in worker autonomy. Braverman (1974) argues that the craftsperson has increasingly lost this autonomy, as his/her work became atomized into discrete sequences of steps now performed by several workers. His/her work has become routinized, that is, repetitive, and the worker has lost control over the pace of work, which is now dictated by the production line. The Fordist production line epitomizes this fragmentation of work.

What evidence is there to support the claim that the trend outlined by Braverman, contrary to the advocates of the post-Fordist restructuring, still persists? Two factors are of interest to us as they both might shed some light on the nature of the post-Fordist production process: (1) what sort of *characteristics* in their employees do employers prefer, and (2) the actual *control* or systems of control to which workers have to submit.

Contradiction 1: Autonomous versus submissive worker. We have seen that Reich (1991) identifies loyalty, reliability, ability to take directions, and the ability to work in teams as preferred characteristics of new workers. This is supported by the Williams Report (1979: 458) which identifies "obedience, submissiveness, and willingness to carry out mundane tasks cheerfully" as desirable qualities. In fact, as Watkins (1988) and Shilling (1989) argue, what the employers demand of their employees are specific attitudinal and behavioral qualities, and they include all of the above, plus personal presentation, punctuality, the willingness of young people to put up with jobs that are dirty and boring and their acceptance of hierarchical order (Watkins (1992).

A cursory survey of educational literature dealing with outcomes ostensibly preferred by governmental and corporate business agencies (we have already noted the Williams Report) also reveals a remarkable correlation between what the employers want and the way educational systems have been or still are being restructured. Hargreaves and Reynolds (1989) argue that the UK educational system has evolved into what they term *structural isomorphism*, whereby both the teachers and the students learn to adjust their behaviour and expectations to whatever the requirements of their future employment might be. Ranson (1984) also argues that the changes introduced in the 17+ curriculum in the UK have been designed to define access to knowledge as well as the conditions for a more intensive regulation of attitude and conduct of students. Both texts relate these developments to the increasing stratification of the British society, and to the diminishing opportunities for school-leavers to secure good jobs. Ranson even quotes an anonymous DES official as saying that: "People must be educated once more to know their place!" (Op. cit.) These sentiments are echoed by Wadley (1990), who, writing from the New Right perspective, advocates the need for some students to be taught to fail.

We can then identify a not so subtle contradiction between the ideal-type post-Fordist workplace, which purports to require autonomous workers, highly skilled in multiple disciplines, problem-solving oriented, and even able to think critically, and the actual reality of the workplace and the type of education which has come to crystallize in the aftermath of corporate capital's involvement in the 1980s restructuring of education[61].

Contradiction 2: Empowerment versus control. What are we to make of the contradictory claims that post-Fordism empowers workers as it further increases managerial control over them? It would be tempting to see this phenomenon as an unintended consequence of some unperceived problems that emerged in the course of post-Fordist unfolding. After all, there are the inescapable contradictions of capitalism of which the post-Fordist analysts appear blissfully unaware. Yet let us remind ourselves that post-Fordism is a regime of production which requires some mode of social regulation. We would suggest that post-Fordism and the mode of social regulation constitute two analytically separate discourses (cf., Jessop, 1993); the former driven primarily by the combined forces of capitalist competition and technological innovation, with perhaps some

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[61]The list of business corporations' involvement in educational policy formation and of the so-called business-school partnerships is a long one. They include Brian Picot, an Auckland supermarket magnate, who chaired the Commission to Review Educational Administration in New Zealand (1987); Eric Mayer, CEO of National Mutual, who chaired the Higher Education Round Table and the Mayer Committee which produced the document, *Employment-Related Key Competencies* !992a,b), and B. Finn, CEO of IBM, Australia, who chaired the Australian Education Council Review Committee which overview the post-compulsory education and training in Australia.

insights drawn from labour process research, which helped to put a human face on the intensified process of work degradation; the latter, located primarily in the political sphere, and driven by global agents of capitalism eager to assert even more firmly their presence in that sphere (van der Pijl, 1989). To put it more bluntly, the changes in the governance and in the workplace, as proposed by the hyper-liberal functionaries, do not inspire much confidence in so far as the subordinate classes are concerned. And even if we might employ a little poetic licence, borrowing from G.B. Shaw his sardonic assertion about the British belief that a bitter medicine is always better, the rhetoric of deficit and debt reduction as a universal panacea (see Ekinci, 1993) might perhaps buy votes in conservative Alberta (and it remains to be seen what the political consequences of the Harris "revolution" will be in Ontario), but in most other jurisdictions there also arises an urgent need for social control.

Generally speaking, social control refers to the mode of social regulation (MSR) or rules which govern all or most economically related transactions in a given society. In this instance, however, we are primarily concerned with the regulation of the class struggle between capital and labour, and, specifically, between management and the workers on the shop floor. It is important, however, to bear in mind that these struggles take place within a wider framework of a fundamental class conflict.

Whitaker (1978), among others[62], describes the rise of the security state in the USA and the UK under Reaganism and Thatcherism, with the accompanying phenomena of increased polarization of population into obscenely rich and desperately poor (Cf., Jessop, 1984), and emerging privatization of the police force. Our point is that the coupling of post-Fordism and hyper-liberalism must invariably produce negative consequences for us both as workers and as citizens. The post-Fordist discourse, with its emphasis on the democratization of the workplace, on empowerment of the workers, and on making work experience more meaningful, along with the deficit reduction *speak* were meant to seduce the electorate to accept the unpalatable. We can then expect that when post-Fordism unveils itself within the larger political framing of hyper-liberalism, its structural components will also be underpinned by the need for social control.

How are these controls exercised in the workplace? Edwards (1977) identifies three basic modes of control: simple or direct, technical, and bureaucratic. In the post-Fordist industrial environment we are primarily concerned with the *technical* aspect of control, where superintendence was transferred from a direct supervision to the means of production itself. It is thus the flow of production which regulates the worker's effort. The Fordist production or assembly line typifies this type of control (Edwards, 1979: 128). It would be, however, a mistake to assume that this type of technical control has vanished under the post-Fordist just-in-time or Total Quality Control systems. We will see below that the technical mode of control constitutes, in fact, an integral part of post-Fordism.

Considine (1988) updates our understanding of the modes of social control by introducing the concept of *new managerialism*, which he defines as

> a major project of modernization and rationalization which reworks and intensifies aspects of the operational techniques of the established paradigm of technical rationality, shifting its emphasis from the legal to the *economic* and from values of protection and compensation to those of *competition* and *entrepreneurship* (Considine, 1988: 6; added emphasis).

What is interesting in Considine's analysis is the blending of self-management (i.e., autonomy), economic objective conditions, competitiveness, and individual initiative or entrepreneurialism. We would argue that these basic principles of new managerialism do structurally correspond to the new production concepts such as just-in-time and Total Quality Control. We will call this technique a *control through self-management.*

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[62]See also Hirsch (1983) on the emergence of a (post-) Fordist State in West Germany.

Lastly, in addition to the above there is also a *cultural* control. The control of the cultural aspect of production is exercised through *mass media* and education. The effect of mass media on our cultural identities has been examined among others by Chomsky (1992) and Wexler (1985, 1987) and we will not dwell on this aspect of control here. The *educational* mode of control, on the other hand, has been surprisingly neglected by labour process analysts. The aspect of this control that is of interest to us has to do with developing appropriate and rightful attitudes in students. But let us first turn to the concept of technical control.

Technical control. We wish to highlight three major aspect of technical control: technology, visibility, and the just-in-time Kanban system. In practice, all three aspects are intimately integrated. Yet their analytical separation should help us grasp the concept of technical control more clearly. First, the just-in-time system is underscored by two main principles: workers work in teams, and there is no provision for storage of finished or semi-finished products completed by individual work stations; that is, as soon as the task is finished, the next team should be ready to receive it. The work tasks themselves do not consist of any complex skills, but rather of a multiplicity of movements which had first been fragmented (Dohse, Jurgens, Malsch, 1985, Coriot, 1984, Sayer, 1986). The workers divide the work tasks between themselves. The overall speed of the production flow is, however, still controlled by the managers. Thus, on the one hand, we can see a partial amelioration of the Fordist system where the worker performed one repetitive task over and over again. Now the worker performs several repetitive tasks over and over again. The management, however, has not lost control over the work effort workers exert.

Second, this technological control is ensured through *visibility* of workers as the system exposes those jobs which do not need one worker's undivided attention, for example. Under these conditions the worker is either called to perform an additional task or the production flow is speeded up. At the same time, the source of error or slow-down becomes also immediately visible. Because such slow-downs and interruptions are tied to the system of rewards, this puts an additional pressure on the workers to work faster (Dohse, Jurgens, Malsch, 1985, Sayer, 1986). In the Japanese Toyota plant this visualizing function is facilitated through a system of warning lights--green, yellow and red. The technological control over maximization of work effort is achieved by manipulating the flow of the production in such a way that most work stations display a yellow light. This signifies that the work stations are experiencing difficulties, but can cope. A green light indicates a pace which is too comfortable, while the red light indicates a break-down in the production.

In this context, it is intriguing for westerners to note that the Japanese can see this process of extreme work intensification in a rather lyrical way. According to Skorstad (1991: 1079), they describe it as follows: "Imagine a lake filled with water covering a troublesome bottom containing sunken rocks. As long as the water level is high, none of this can be seen. It becomes apparent, however, when the level lowers step by step, and the lake empties until no water is left"--all becomes visible.

The Toyota Kanban system is used to expose the workers not only to a faster pace but also to irregularities and their consequences in order to encourage them to seek new ways of dealing with the problems and thus speed up the production flow yet further. They are, therefore, never allowed to settle into a comfortable pattern, but are forced to perfect continually the production process. Under these conditions, the only autonomy they have is to find new ways of coping with the intensified work effort.

Self-management. The above analysis is supported by Coriot (1984) who studied the conversion of a standard assembly line to a *bench assembly* system at the Renault Le Mans factory in France. The bench assembly corresponds to what is known as a Total Quality Control system (TQC). Coriot identifies several factors intrinsic to TQC: group responsibility for the quality of the final product, extreme intensification of work effort, control over the group rather than an individual, self-discipline, and abolition of jobs. First, TQC implies that a team of workers is responsible for production, quality control, and

maintenance of equipment. This tends to result in two types of savings for the firm: the tasks of maintenance and supervision are eliminated, and overall costs are thus reduced by 6-7% (Ibid.: 38, 41). As with the just-in-time system, however, the rhythm of work is still determined by the management. And since the total time is assigned to a group, each member of the group must regulate his/her individual effort to correlate with the others--the presumed autonomy thus becomes a tool of self-discipline.

Coriot further argues that the new production line is more suited to the present day composition of the labour force--the task enlargement puts to good use the vocational aptitudes developed through schooling, but without at the same time providing the possibility for these aptitudes to be socially recognized (Ibid.: 41). This is perhaps one of the most damaging aspects of the post-Fordist work organization such as TQC and JIT, that it promotes on-the-job, plant-specific skills development which has little value to the worker outside the plant, making him/her dependent on the firm and diminishing, therefore, his/her bargaining power (Campbell, 1989). But that brings us to the *educational* mode of control.

Educational mode of control. We can broadly identify three areas of relevance to educational control: on-the-job training, school curriculum, and the management of the educational system. These are, of course. large problematics in their own right, and we can only briefly touch on them here. We have already dealt more or less with the first. We have seen that on-the-job training involves plant-specific skills, but also an increasing emphasis on developing appropriate attitudes, behavioral skills, sense of loyalty to the firm, and other normative elements required by the TQC and JIT systems. This claim has been borne out by many researchers in the field of labour process (see Sayer, 1986: 52, 66; Scorstad, 1991: 1078; Dohse, Jurgens, Malsch, 1985: 136; Campbell, 1989: 266, or Smith, 1991: 142).

The latter two aspects have been first identified by the pioneering work of Bowles and Gintis (1976). Bowles and Gintis develop the notion of the correspondence principle and use it to show how the *allocative function* of schooling streams students to the occupational world along class lines, or, in other words, how schools tend to reproduce the social division between social classes. There are many methodological problems with their thesis, and they have been well covered elsewhere (see, for example, Cole, 1989, Carlson, 1988, Giroux, 1981, Kemmis, 1986). In our view, however, the empirical relevance of their claims still holds, and, perhaps, more so today than at the time of their writing. The major point we wish to make here is that *under Fordism, schools tended to reproduce social classes.*

Apple (1975) has already identified the aspect of social control exercised through school curriculum. He argues that the school curriculum

> can lead to political quiescence and the acceptance by students of a perspective on social and intellectual conflict that acts to maintain the existing distribution of power and rationality in society (Apple, 1975: 95).

But this curricular content tends to be reinforced by a tacit or hidden teaching, which he conceptualizes as a hidden curriculum. For Apple (1975: 99), the hidden curriculum establishes in the minds of students "the basic rules surrounding the nature of [class] conflict and its uses." It establishes the boundaries of legitimacy.

We already noted that Anyon (1980) identifies in her research several types of schools--working-class, middle-class, affluent professional, and executive elite--which tend to equip their student with specific knowledge and attributes corresponding to their future work role. Her structural separation of specific social reproductive functions thus closely follows Bowles and Gintis' (1976) thesis.

The notion of the correspondence principle has been most recently reworked by Fritzell (1987), who categorizes it in terms of positive, negative, and critical correspondence. Positive correspondence describes the relationship between educational

outcomes and the systems requirements for its own reproduction; that is, the type of skills and attitudes required by the labour market and by the system of governance of a particular society. Carnoy's (1985) dichotomy of democratic citizenship and workplace subordination fits well with the concept of positive correspondence. Negative correspondence, on the other hand, works on a principle of exclusion of critical tendencies. The absence of participative pedagogy (see Young, 1990), or of the historical struggles of the working class from the school curriculum are examples of negative correspondence. Like the hidden curriculum, negative correspondence tends to complement positive correspondence or the overt curriculum. The concept of critical correspondence fits in with the critical theory's concern with the potentiality of educational contribution to social change (see also Fay, 1987), but is not directly relevant to our present argument.

In our view, the concepts of positive and negative correspondence represents useful analytical categories for understanding the post-Fordist/post-Keynesian restructuring of the western societies. The former coincides with the increasing tendency towards vocationalization of school curriculum (Mayer, 1992a,b, Ball, 1990, Carlson, 1992, Ranson, 1984) and towards a growing emphasis on behavioral and attitudinal disposition of the students (Williams Report, 1979, Ranson, 1984, Beazley, 1984, QERC, 1985, Watkins, 1988, 1992, Hargreaves and Reynolds, 1989, OECD, 1989a). The latter (i.e., negative correspondence) is promoted by *crowding out* the potentially critical curricular content and pedagogical practice. This is achieved basically through a direct control by central agencies over the curricular content as, for example, in the case of the national or common curriculum in Australia, New Zealand or the UK. The strategy of exclusion is further reinforced by structural features such as standardized testing, teacher accountability for students' performance on these tests, and through the function of performance indicators which clearly undermines teachers' pedagogical autonomy. Among the *hidden* factors which tend to crowd out critical education are the growing emphasis on back-to-basics pedagogy (i.e., direct teaching) and the intensification of teachers' work (Apple, 1988, 1993, Watkins, 1992, Robertson 1994, Smyth, 1993). It is particularly the combination of standardized testing and intensification of teachers' labour which virtually leaves no room for alternative content or pedagogy.

Control over what happens in our schools is clearly strategically important in the present transition to new technical and social relations of production. We have noted that employers today are looking for a workforce which is obedient, submissive, happy to carry out any task, punctual, respective of employer's authority, and so on. Educational research and policy documents do indicate that there has been a massive re-orientation of educational systems in the English speaking countries towards accommodating employers' needs. At the same time, we have emphasized that it is not only the formation of post-Fordist skills but, even more importantly, of post-Fordist behavioral attitudes which have been gradually incorporated into the compulsory and post-compulsory components of our schooling.

Yet, as Anyon notes, the needs in the workplace are not uniform. Labour market analysts such as Reich (1991), Campbell (1989), Kern and Schumann (1984a,b), and Harvey (1989) point out that, depending on the industrial sector and hierarchical classification of employees, employers have radically different expectations of their labour force. Some will require complex skills and knowledge as well as an ability to work independently and to direct other workers; some will fit into the category of docile and generically skilled workforce. In that sense, nothing has changed. What has changed is the increasing emphasis on a direct correspondence between the skills and the labour market.

If the fit between schooling and the workplace is to be complete, what might be the most likely mechanism for making it happen? We would argue that it is precisely the practice of attaching a price tag to each skill, which in turn encourages market behaviour in students, their parents, and the schools, that in the long run will establish the market relations in the provision of public education, regardless of the well-meaning intentions of teachers and other educational workers--as Robertson (1995: 17) argues, the commodity form has penetrated into the very heart of the schooling enterprise. This deadly combination

of technical control over teachers, the self-managing school (see Smyth, 1993), and market relations then completes, in our view, the transition from a partially autonomous liberal education to a training system which now corresponds both structurally and functionally to an increasingly despotic regime in the workplace--the distinction between the citizen and the worker has been almost entirely "blurred" (see OECD, 1989a: 68).

In the view of the above discussion, we can note a radical departure in our current schooling practices from those under the Keynesian educational regime. In particular, where the Keynesian school functioned primarily to reproduce the social division between the dominant and subordinate classes in general, *the post-Keynesian school aims in addition at imparting specific work-related skills and behavioral attitudes, but also ensures that critical thought finds no sanctuary in the post-Fordist/post-Keynesian education.* Yet we do not wish to promote the atmosphere of gloom and despair. The sentiments and memories of progressive collective struggles are still with us and will continue for as long as human enterprise remains alive. The notion of resistance, critical correspondence, and the humanist aspiration to self-actualization are powerful tools and goals. Their recapture by progressive educators is a matter of concrete political struggles, not a matter of some economic determinism. Yet, for the time being, the educational mode of control might weigh rather heavily on our shoulders for some time to come.

Has then the mode of educational control helped resolve the capitalist contradictions inherent in capitalist competition, class struggles, and revolutionizing forces of production? Most resoundingly it has not. We have seen that the penetration of the commodity form into the provision of education has pushed the process of degradation of work even further, and we have earlier identified this phenomenon as one of the key contributing factor in the crisis of Fordism. Furthermore, the educational politics of exclusion, or what Dale (1994) calls the politics of exit, will deepen the already precarious social divisions yet further. Under such conditions, social harmony simply cannot exist. The class struggle, therefore, will have to go on. Finally, and perhaps most importantly, post-Fordist education is driven by the ideology of heightened competitive individualism, and as such it cannot understand its own destructive impulses manifest in the growing economic disenfranchisement of progressively larger and larger sections of population. All that has been accomplished then is that the earlier crisis of Fordism has been rescheduled.

(3) The politics of knowledge

How does commodification of knowledge happen, and why do we submit to it if we do not like it? The question we are examining here is a prosaically simple one: If the post-Keynesian school does, in fact, impart specific work-related skills and behavioral attitudes in a more or less direct correspondence to the labour market, eliminating, at the same time, all or most counter-hegemonic, critical thought, how could this be accomplished? Would not the teachers, students, or even parents steeped in the decades of liberal education resist such a dictatorial encroachment on their right to choose as professionals or consumers the type of education they deem appropriate either for their students, themselves, or their sons and daughters? In addressing these questions we will first reiterate briefly our position on the presumed relevance of *advanced knowledge* in the post-Fordist workplace.

One of the central tenets of post-Fordism is the claim that the post-Fordist organization of production requires workers who are more skilled and knowledgeable. Such knowledge, whether formal or tacit, is presented as empowering the workers vis-a-vis the management. Furthermore, referring specifically to knowledge workers, Reich (1991) argues that this emphasis on the knowledge of workers tends to diffuse power of corporations, presumably shifting some of that power down to the knowledge workers themselves. This part of the post-Fordist thesis then addresses the issue of degradation or dehumanization of work on two accounts: it claims that *thinking* has been integrated into work tasks carried out by the core workers, and that this increasing dependence of corporations on workers' knowledge has promoted democratization of the workplace.

The other important point to bear in mind is the allocation of functionally differentiated types of knowledge (e.g., integration of the mechanics, chemistry and computer programming) in a way that would correspond to the labour market needs--for example, highly skilled symbolic analysts, highly skilled core industrial workers, and old foot soldiers and service workers with mainly generic low-level skills but appropriate behavioral attitudes (Campbell, 1989, Reich, 1991). We have also argued that the post-Fordist/post-Keynesian regime hopes to achieve this through the liberation of market forces. It is also worth reminding that the key functional imperative in this type of education and training is not only the concern with social reproduction in the sense of merely reproducing social class categories but also with matching as accurately as possible school graduates with the labour market (OECD, 1989a) and, perhaps, as Wadley (1990) reminds us, with unemployment (see also Ranson, 1984).

We have seen above that the post-Fordist claim about the growing significance of the knowledge component for the core workers does not stand up to the evidence offered by labour process research (see Campbell; 1989, Dohse, Jurgens, Malsch, 1985, Coriot, 1984, Murray, 1987, Harvey, 1989). In fact, the indication is that the labour process has not only been further fragmented, even though the newly Taylorized tasks are carried out with the use of computerized machines (e.g., CNCs), but that the management now has a greater control over the workforce, who now performs multiple fragmented tasks, often combining routine work at different work stations. Consequently, the work effort has become much more intensified. At the same time, we argued that the linking of intellectual potential of the core workers with technologically advanced machines has had the effect of not only physical but also mental alienation--the worker is not only alienated from the work he/she routinely carries out, but also from his/her very own thought process; that is, from the knowledge he/she possesses but which has now become an inextricable part of capital valorization. Following Marx (1976), we have identified this phenomenon of knowledge appropriation (cf., Stockley, 1993, below) as the real subsumption of labour under capitalism.

The dominant trend in the workplace is thus towards deskilling and multitasking--the new-worker needs to know less and less about more and more (Op. cit.). At the same time, the gradual integration of workers' knowledge into the computerized technology of production allows capital to assure for itself a monopoly over knowledge (Watkins, 1992). Watkins' claim is also supported by Robins and Webster (1989) who argue that the present period of capitalist development is distinguished by increased corporate exploitation of informational knowledge:

> As the corporation grew and spatially extended, so there came about a need to link disparate sites and cohere larger units; as the corporation integrated its activities so there came about an imperative to thoroughly plan and monitor its operations; as the corporation burrowed deeper into the society so there came about a requirement for systematic appraisal and observation of its outlets (Robins and Webster, 1989: 36).

Stockley (1993) identifies a similar trend in the recent developments in universities. Specifically, he notes the introduction of new terminology, such as "intellectual property" into the educational debate, which he interprets as an attempt at "naturalizing" the commodity-form discourse in the academy. The commodification of academic knowledge then obliges "universities and individual academics to view their work as an aspect of private property relations" (Ibid.: 102). The important problematic that emerges here has to do with who actually becomes the owner of ideas and research produced using the institutions' time and resources. For some universities the appropriation of academic work is no longer problematic, as they (e.g., the University of Melbourne, Australia) have written such transfer of knowledge ownership into the employment contracts which all academics are now obliged to sign. Within the context of our present discussion, however, these developments throw some doubt on the claim that under post-Fordism knowledge

workers become empowered vis-a-vis corporations and even increase their share of control over the corporation.

We would like to argue then that the indication of what is happening to *knowledge* can be found in the area of *autonomy* and *democratic participation.* Stockley (Ibid.) argues that in the academy there has been a marked decline in academic freedom and in academics' ability to counteract the increased external control over the scope of their own decision-making. But what about schools? Has the teachers' autonomy and ability to make pedagogically informed decisions increased, diminished, or remained unscathed?

Most of the current research into the restructuring of educational systems in the English speaking industrially developed countries suggests an increasing link between the new institutional and funding arrangements and the progressive commodification of school knowledge (Watkins, 1992; Bates, 1990; Hargreaves and Reynolds, 1989; Ball, 1990; Ranson, 1994; Ball, Bowe, Gewirtz,1995; Robertson and Dale, 1995; Louder et al., 1995). Broadly speaking, these developments correspond to what Bates (1990) calls a "supermarket" model of schooling in which schools compete to deliver "most wanted services (Ibid.: 45). Robertson and Dale (1995) situate the supermarket model within the context of global educational delivery, and argue that it operates at local, national, and global levels in "multiple circuits of markets linked to well defined but multiple circuits of clients" (Ibid.: 15). The important point here is that these multi-tiered markets tend to target a distinct and hierarchically segregated clientele. Drawing on our earlier observation we can argue that the commodification of education via multi-tiered educational circuits tends to contribute to the reproduction of social relations of production. How does this happen at the school level? And in what way is it different from the model of social reproduction described by Bowles and Gintis (1976)?

Ball et al (1995) suggest that social class, cultural capital and choice interplay within differentiated circuits of schooling in the market system. They identify three clear circuits of schooling: "local comprehensive" composed mainly of locally-oriented working class students; "cosmopolitan elite" composed of middle-class students mainly from outside their immediate locale; and "elite" schools composed of ruling class parents who choose private schools. Each circuit clearly empowers its students differently in terms of life chances, reproducing class relations and differential economic advantage.

In other words, the market, trading in hierarchically ordered educational credentials, links supply and demand. Robertson and Dale (1995) call these circuits operating within a typical post-Fordist educational market at the local level *micro-circuits of schooling*, while those circuits operating at the national and international levels are conceptualized as *macro-circuits of schooling.* They further argue that both micro- and macro- circuits of schooling are structured by the principles of *credentialism* and *social exclusion.*

How do credentialism and exclusion work in an educational environment which is presumed to provide an even playing field (i.e., free market) where everyone can choose the type of education best suited to his/her needs? This approach to educational provision is guided by three central beliefs: first, the educational market is considered neutral, efficient, equitable, and democratic; second, in line with public choice theory, it assumes that "all parents have, or can within a reasonable time span have, the knowledge required to make informed choices about what constitutes a desirable school" (Lauder, 1995: 5); and finally, it assumes that all parents have an equal capacity to act on their understanding of how the educational system works.

In their study, Lauder et al. (1995) examine the reasons which motivate parental choices. There are two important claims they make: (i) schools behave differently under market conditions, and (ii) even though parents are aware of how the system works, their choices of schools, nevertheless, tend to coincide with their SES.

Firstly, Lauder et al (1995) found that, contrary to the public choice theorists' claim that the market preserves neutral conditions, when under pressure to compete for scarce financial resources (cf., Gordon, 1993, Ball, 1990, Smyth, 1993) schools are eager to "demonstrate excess demand for their places so they could institute an enrollment scheme in

order to choose students" (Lauder et al, 1995: 11). Schools are pressured into this behavioral pattern in order to select those students who are most likely to contribute to their effectiveness, and in order to be able to demand higher enrollment fees (Ibid., see also Robertson and Dale, 1996, and Alder and Raab, 1988). Most recently schools in Australia (Marginson, 1993) and New Zealand (Gordon, 1993) began to market their services to oversees students. A similar move is now underway also in Alberta (Manthrope, 1996). With decreased funding, selling one's own school has thus become an integral part of educational administration at the school level.

These developments have manifold consequences for the students and their parents. The most significant one, identified by Lauder et al. (1995, see also Ball, 1990, Dale, 1994a), has to do with the *exclusion* of those students who either do not possess the required cultural capital, or whose parents cannot afford to pay the fees established by the school. Furthermore, as Jonathan (1990) and Ranson (1994) argue, once within the grip of the market, neither teachers nor parents can change the structure of the market but only protect or advance their position in relation to other schools or other parents. Because teachers are seeking a competitive advantage vis-a-vis other schools (their job often depends on this [see Robertson and Soucek, 1991]), and parents are seeking "positional good" (see Hirsch, 1977), their participation in this market-driven provision/consumption of education is reduced to "reproducing forms of education of which they may well not approve" (Ranson, 1994: 94).

At the same time, marketized education tends not only to reproduce social classes, but also tends to match the skills and knowledge with the labour market. The low SES schools typically deliver what has come to be known as basics or adequate education (Ball, 1990, Carlson, 1992, Anderson and Dixon, 1993, Marginson, 1993, Klein, 1994, Brown and Lauder, 1995), which fosters primarily generic, easily transferable skills and behavioral attitudes required in the service sector and semi-skilled automation work. Knowledge and skill formation which go beyond the basic generic skills is offered through a system of "magnet' or "star" schools, which are oversubscribed and can afford to turn away pupils and have a steady state of rising budgets (Ball, 1990: 91). Such above-basics education can also be obtained through special programmes offered by some schools. Students for such programmes are typically selected from other catchment areas (Robertson and Soucek, 1991). In addition, in countries such as Australia, Canada, New Zealand, the UK or the USA, there are private schools which provide such education for a fee usually out of reach of most low or even middle SES students. We can thus see that under market conditions there is a clear convergence between those privileged by virtue of wealth, cultural capital (Bourdieu, 1986), or what Hirsch (1977) calls *positional advantage,* and Lauder et al. (1995) refer to as *positional knowledge,* on the one hand, and "excellent" education which might lead to privileged occupations in the areas of management or symbolic analysis, on the other. And, if we stretch the post-Fordist/hyper-liberal metaphor of *presumably harmonious market relations* a little further, we can see how the mutual interplay between the rise in the price of positional goods (Hirsch, 1977)[63] acts to choke off any access demand for such goods (Jonathan, 1990), and how, as a result, the educational market becomes, in reality, the social manifestation of Darwinian natural selection (Ranson, 1994).

Secondly, contrary to Ball et al. (1995), Lauder et al. (1995) show that even though low SES parents might be aware of the various circuits of schooling and of the potential advantages for their children associated with acquiring positional good or relative (or competitive) advantage (Ranson, 1994, Brown and Lauder, 1995), the reality principle (cf., Freud, 1930) tends to push them into selecting a lower circuit school. This, they note,

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[63] Within the educational context, "positional good" refers to educational credentials which are otherwise in scarce supply (Hirsch, 1977). They remain positional good only to the extent that the majority of students cannot access them. And because, like everything else under the post-Fordist/hyper-liberal regime, educational credentialism is mediated through the power of money (Harvey, 1993), it just so happens that true positional goods are chiefly accessible only to the high SES students.

is particularly due to the changing fortunes of many which in New Zealand's transition in 1984 to a global market economic system suffered either a sharp decline in a family income or unemployment.

This is an important point. Ball et al. (1995), for example, found that there were disparities between higher and lower SES parents in terms of being able to understand the connection between the "right" school and the life chances offered to students, the capacity to be mobile in order to access schools further away from home, and in general to organize family life around access to schooling. Lauder et al. (1995), however, show that even when positional knowledge is equal, there is still a significant difference in terms of equality of opportunity. In this respect they successfully debunk the public choice theory's claim that educational markets stand for more equity in educational opportunities, and this regardless of which SES grouping the student might have come from (for a contrary position, see Tooley, 1994, 1995).

In the above sense, the production of knowledge and skills and the reproduction of social relations of production in a post-Fordist/post-Keynesian school are closely aligned with the commodity form reflected in the SES of the student. This alignment is achieved chiefly through market relations. But, as Robertson and Dale (1996) and Brown and Lauder (1995) argue, the other no less important feature characterizing the production of knowledge under post-Fordism is its global dimension. In fact, Brown and Lauder (1995) go as far as saying that the intersection of local and global educational circuits inevitably tends to produce the effect of global selection and allocation of educational opportunities. And in so far as the national governments promote this *global auction* of the labour force, they practically acquiesce to what can best be described as *global knowledge wars.* Here Brown and Lauder refer to the strategy we have earlier identified as *progressive competitiveness,* as practiced in Australia, but primarily in the EEC countries such as Sweden or Germany. This is in contrast to a more laissez-faire approach of the USA or the UK, who under the Reagan and Thatcher administrations allowed the state to minimize its involvement in the provision of education and training.

The distinction Brown and Lauder (1995) make between "left modernizers" and "producer capitalism', on the one hand, and "New Right" and "market capitalism", on the other, is a useful one. However, it might be misleading to pigeonhole the first two as post-Fordism, and the latter two as neo-Fordism. The problem consists precisely in that post-Fordism is a regime of production, not a system of governance. As we have argued earlier, post-Fordism does not operate in a political or cultural vacuum, and for that reason requires some mode of social regulation in the same way that Fordism needed the Keynesian distributional regulation. That is, if post-Fordism is driven by technological innovation and competitiveness, and there is little doubt that it is, it is extremely susceptible to: (i) the increase in the ratio of constant to variable capital, and, therefore, to the fall in the general rate of profit, and (ii) the increase in the pace of surplus value extraction from the remaining labour force. In reference to the former, clearly, some regulation is required to counteract the self-destructive drive of unhindered competition. With reference to the latter, the evidence of growing concentration of wealth and growth in poverty in the industrialized, English speaking countries (Eaton & Stilwell, 1992, Reich, 1991, Wheelwright, 1990) indicates that markets cannot act as an effective mechanism for resolving the distributional question, especially given the condition (i), precisely because post-Fordism has no internal mechanism to balance the propensity to consume with investment in the productive sector, while still ensuring reasonable profits (cf., Boyer and Coriot, 1987). We, therefore, concur with Albo (1994), Aronowitz and DiFazio (1994), and Tickel and Peck (1995) in that the presumed deregulatory regime as represented by hyper-liberalism cannot sustain post-Fordism.

We also concur with Harvey (1989) that the elasticity of post-Fordism as a regime of production allows it to integrate a multiplicity of organizational systems, ranging from Fordist mass production and after-Fordist flexible production, to a form of feudal or patriarchal sweatshops. At the same time, not all "modernizers" are center-left, and neither

were all supporters of Reagan and Thatcher regimes members of the New Right. To avoid this conceptual vagueness, and drawing on the work of Albo (1994), Panitch (1994), Lipietz (1994), Leborgne and Lipietz (1992), and Cox (1987, 1991), we would argue that the categories of *progressive competitiveness* and *hyper-liberalism* (or neo-liberalism) represent a more helpful way for understanding the two alternative pathways of capitalist development in the 1980s and 1990s. And it is to that problematic that we now turn.

6.3. Two pathways for post-Fordism: neo-Taylorist flexibility vs. participation.

> History is alive again. On the ruins of Fordism and Stalinism, humankind is at a crossroads. No technological determinism will light the way. The present industrial divide is first and foremost a *political divide* (Lipietz, 1992: 347; emphasis added).

There is a sense of inevitability, of destiny which cannot be escaped, in short, a sense of economic and technological determinism wafting in the wake of the post-Fordist/post-Keynesian ascendancy. In the economic sphere, we have crossed the industrial divide (Piore and Sabel, 1984), and now "we need an unconstrained, unrestricted, full-fledged, unspoiled market economy" (V. Klaus, Czechoslovak Minister of Finance; quoted in Douglas,1993: 1). These are sentiments expressed by the now-Premier of the fledgling post-communist Czech Republic, who has been well-tutored by the architect of similar reforms in New Zealand, Roger Douglas, and could have very well been said by any of the Anglo-American political leaders. These are sentiments elaborated by generations of conservative ideologues stretching from Adam Smith and Edmund Burke to the present-day conservative politicians (e.g., Ralph Klein in Alberta, or Mike Harris in Ontario) and neo-liberal ideologues such as Hayek (1960), Friedman (1962), Peter Drucker (1993), or Leslie Seidle (1993).

What these writers have in common is a perception that the historical development of capitalism and technological innovation in the production process quite naturally impose a pre-determined style of governance on the present, historically specific moment of social relations of production, which are perceived as post-capitalist relations (Drucker, 1993). To accommodate this new set of social relations of production, Seidle (1993) argues that we need to "rethink government." What is interesting in this process of rethinking government and of restructuring the economic sphere are the salient contradictions marking almost every step of the unveiling of the program of "creative destruction" (see Harvey, 1989) of the post-WW2 settlement between labour and capital. As many commentators (see also Albo, 1994, Tickell and Peck, 1995) point out:

> the shortcomings of modernist liberalism and its economic defeat in the 1980s tend to revive two spatial instances that have had their time but at the moment are doubtless facing their new youth: the federal state [i.e., a form of articulation of the national hegemonic system] and the multinational bloc (Lipietz, 1994: 38).

The first point made here is that neo-liberalism has not worked! It increased the concentration of political power and wealth (Reich, 1991, Albo, 1994, Whitaker, 1997, Eaton & Stilwell, 1992), but it has failed to resolve the contradictions that caused the crisis of Fordism in the first place. The second point is that like macro-economic considerations (which need to complement the present emphasis on the micro-economic measures), the macro-politics does matter. Lipietz (1992a,b, 1994) is a staunch advocate of local politics, but he also sees an urgency in developing a national and global social action to complement the local struggles. And here is the key problem identified, among others, by Harvey (1993):

> Oppositional movements are generally better at organizing in and dominating place than they are at commanding space. The "othernesses" and "regional resistances" that postmodernist politics emphasize can flourish in a particular place. But they are easily dominated by the power of capital to co-ordinate accumulation across universal fragmented space. Place-bound politics appeal even though such politics is doomed to failure (Harvey, 1993: 24).

The politics of participation and democratization of the workplace then need to extend into the global space, especially today, as the social practices with which the local, micro-economic settlements (e.g., the post-Fordist, individually negotiated flexibility) need to necessarily engage to operate on a global or macro level. Furthermore, because these global social practices are infused with mediating power of money, they are riddled with contradictions characteristic of any antagonistic regime of production and distribution.

In this section we would like to point out one of these contradictions: *the presumed need for consulting the electorate and the workers about a pre-determined process of structural change*. In other words, why consult at all if the changes are "structurally determined"? The obvious answer, of course, is that (a) the post-Fordist/post-Keynesian institutions are not set in place by some miraculous workings of the structures themselves, but are, at least partially, willed by structurally privileged human agents[64], and, this being the case, (b) the electorate needs to give its approval to make the austerity measures legitimate. And as Lipietz (see above) argues, the present industrial divide is a political one in the sense that any after-Fordist and post-Keynesian settlement will be achieved through political means, and, at the same time, will be an expression of antagonistic social relations of production. The politics of participation has thus a double meaning: on the one hand, the industrial modernizers and neo-liberal politicians need its symbolic presence to give legitimacy to measures which might not only reverse the decline in profitability (van der Pijl, 1984, Harvey, 1989), but also and inevitably increase social and economic inequity, while, on the other hand, the very need for the symbolic presence of participative or democratizing rhetoric might open a space for counter-measures by collective workers. The central tension in re-negotiating the after-Fordist social relations of production can then be identified in the space between individually negotiated settlements (e.g., in the workplace) and a society or even a larger regional (e.g., Asia Pacific Economic Cooperation, NAFTA, or EEC) or global level (e.g., OECD, G-7, or GATT).

Participation of workers and citizens is thus clearly identified as the key for change in the way both the society and the workplace are organized. This concurs with our own view. The point we would like to elaborate in this section, however, is that when applied in practice, participation in decision-making requires careful scrutiny. What is often presented as "participation" turns out to be a strategy for seeking the electorate's or workers' approval of specific policies which have either never been publicly or collectively discussed (as was the case of cuts to the kindergarten program in Alberta, for example), or the policy outcomes had been determined long before the actual consultation took place (Lisac, 1995). We have seen above, for example, that Toyota's JIT production system bears all the characteristics of worker participation in production organization (see Florida, 1991 on a positive assessment of this), but that, at the same time, this participation is not quite genuine (Dohse, Jurgens, Malsch, 1985). To help us differentiate between qualitatively different types of worker participation, we will integrate into our discussion Habermas' notion of communicative competence and ideal speech situation, concepts already discussed in the previous chapter. In the present context, they should help us evaluate which of the strategies currently employed by various governments might be more or less appropriate for tackling the current social and economic crisis. In particular, we will discuss two forms

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[64]The reference is to Giddens' notion of structural positioning of human agents, and to the power such positioning tends to transfer to human agency (Giddens, 1984).

of governance: hyper-liberalism (Cox, 1991) and the progressive competitiveness model (Panitch, 1994). At the same time, we would like to argue that hyper-liberalism tends to coincide with individually negotiated contracts (which are typical of the USA or the UK workplace practices, especially under Reaganism and Thatcherism), while the progressive competitiveness model comes closer to arrangements conducted at a society level (e.g., in Sweden). But let us first consider the contradiction inscribed in the presumed participatory mode in the hyper- or neo-liberal model.

(1) Flexibility.

The contradiction between the monological and participative style of governance is, perhaps, best embodied in the person of Alberta premier, Ralph Klein. In Alberta, Klein is perceived as a person who listens. Klein himself works on that image, claiming that he "seeks the chance to talk openly about the public service, [seeking] consensus and compromise" (Klein, 1994: Foreword). Yet, Lisac (1995) shows how the Klein government skillfully manipulates public debates about health or education. Typically, debates at public forums bear no relevance to conclusions drawn by a select clique of hand-picked bureaucrats. The strategy of seeking to establish a *consensus on pre-determined policy decisions* becomes even more apparent when we look more closely at the blueprint for managing change in public sector, produced by Roger Douglas (1993). As Klein (1994) refers quite profusely to that document, we might surmise that he took a good look at it.

What is Douglas' advice? "If a solution makes sense in the medium term, go for it without qualifications or hesitation" (Ibid.: 217). The key words are "medium term," and "without hesitation." The former precludes any consideration of the consequences of, for example, withdrawing funds from education, social security, or health. Yet throughout 1995, *The Edmonton Journal* , for example, consistently reported gross deficiencies in the provision of health which, on two occasions at least were blamed for patients' death, as well as a complete neglect of any follow-up as to what happened to the 50,000 welfare recipients who were taken off welfare payments. In the area of educational provision, the Edmonton Public Teachers' survey on the impact of funding cuts conducted in 1995[65] found unequivocally that the working conditions of teachers, following the 6% cuts (over three years) to Public Education, made it difficult to carry out teachers' duties in a professionally responsible manner. The concern with a medium-term success (i.e., with getting rid of the budget deficit) then bears no accountability for what happens to those affected by medium-term goals. Is this a new *vicious circle* replacing the Fordist-Keynesian *virtuous circle*? where the former requires that some sections of population be victimized in order to prove that the government is virtuous, while the latter was ostensibly seeking virtue in helping those left out of the market place? If this is, indeed, the case, then Roger Douglas' hyper-liberal manifesto does make "sense" (see Douglas, 1993); that is, in so far as it is concerned with the performance of the global economic system in which the fate of "victims" is of no consequence. This is why in introducing hyper-liberal reforms "speed is essential--it is almost impossible to go too fast" (Douglas,1993: 222), and whatever happens, "don't blink, public confidence rests on your composure" (Ibid.: 232). The developments in Alberta certainly bear out the "wisdom" of Douglas' insights, as Klein's approval rating has remained well above 60%, perhaps chiefly due to not "blinking" and retaining an air of "confidence".

In our view, the developments in Alberta typify the style of governance described by many as neo- or hyper-liberalism (Lipietz, 1992a,b, 1994, Panitch, 1994, Albo, 1994, Cox, 1991). And Klein's Alberta also represents the real penetration of hyper-liberal hegemony into a local space, albeit, a space uniquely Albertan. Alberta politics have always been conservative (Richards and Pratt, 1979, H. & T. Palmer, 1982) and it is then not

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[65]See *The Bell, Book & Candor*, Vol. 14 (4), pp. 1 and 4, and *Classroom '95: time to reinvest...* (Jan. 1996), published by Edmonton Public Teachers, Local 37 of ATA.

surprising that Alberta served to introduce hyper-liberalism to Canada. But it is for this reason that Alberta also represents the difficulties associated with the paradigm that shifts the onus for economic micro-reform down to the local space of negotiated settlements. In fact, McBride and Shields (1993) argued precisely that the strategy behind NAFTA was to introduce neo-liberalism through the provincial door, thus by-passing the watchful eye of the Federal government, which, at least prior to Jean Chretien's Liberal government, showed the will to insist on common Federal standards in the areas of social security, health, and education. This image of the Federal state was epitomized in the National Energy Policy in the 1980s under the Trudeau government. It was underscored by an understanding that the central government had to intervene in order to "accommodate [provincial] discontents by embracing the welfare state and by endorsing, at least to some degree, the principle that there should be considerable equality in the system" (Ibid.: 7).

For this reason macroeconomics still matters (Leborgne and Lipietz, 1992). As Pollert (1988) and Leborgne and Lipietz (1992: 343) argue, the danger in localizing political struggles is that such local negotiations would be restricted to "yeomanry", a male aristocracy of skilled workers. The first pathway towards post-Fordism then implies negotiated contracts for some, cooption for others, and take-it-or-leave-it approach for most workers. Leborgne and Lipietz (1992) describe this development as a shift from Fordist *rigidity* towards post-Fordist *flexibility*. Let us have a closer look at the schematic representation of the difference between the flexibility path and the negotiation path (see Figure 1).

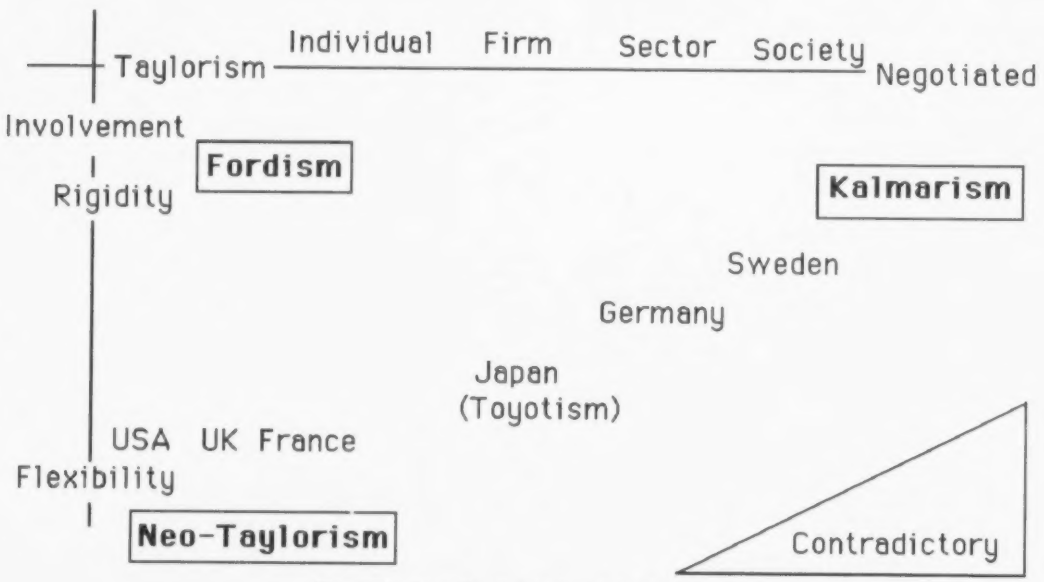

Figure 1: Post-Fordist industrial relations.
Source: Adapted from Leborgne and Lipietz (1992: 338).

In Figure 1, the vertical axis indicates a shift from Fordist rigidity towards a flexible workplace. This shift, however, excludes participation of workers in renegotiating the new terms of employment in the sense advocated by the proponents of new industrial concepts (e.g., Mathews, 1989, Kern and Schumann, 1984a,b, 1987). It is chiefly concerned with external numerical flexibility, functional flexibility, and wage flexibility (see, for example, OECD, 1989b: 13). As indicated, the move towards non-negotiated flexibility occurred mainly in the UK and the USA under Thatcher and Reagan governments. It also represents a shift towards neo-Taylorism quite in agreement with Braverman's (1974) prediction, as

the increasing automation tends to separate still further the conception and the execution of work tasks. We have seen this shift towards neo-Taylorism described in Coriot's (1984), Lipietz's (1982), Murray's (1987), and Campbell's (1989) analyses. Furthermore, within the context of global post-Fordism, Lipietz (1982) shows that a fraction of industrial capital in the core countries sought to relocate parts of Fordist industry in the low-wage countries. These were labour-intensive industries with light equipment designed for a single operator, and typically involved fragmented and repetitive tasks. Hence the tendency towards neo-Taylorism was not confined to the core Fordist countries, but was also exported to the periphery, where under the conditions of open-door policies in countries such as the Philippines, Indonesia, or Thailand, but also in the so-called Asian Tigers economies, the increased exploitation especially of women produced what Lipietz called "bloody Taylorism" (Ibid.: 41).

Flexible neo-Taylorism then aims to resolve the accumulation crisis by intensification of labour and by increased control over the collective worker. For this reason it tends to be closely aligned with the hyper-liberal strategy of minimizing the input by workers/citizens into a broader social policy in the areas of industrial relations, education, health, and social security (Burawoy, 1985, van der Pijl, 1989). It is concerned with cutting costs to the investment capital. Productivity gains, secured by the increased rate of the surplus value, are reserved as profits, and final demand is not augmented. If we accept the scenario outlined by Reich (1991), Harvey (1989), and Jessop (1984), whereby the tendency of post-Fordism indicates a shift towards a greater segmentation in the labour market and towards growing structural unemployment, then the inevitable outcome of this strategy must be a creation of a multiple-tiered division of society. At the same time, and this perhaps adds a touch of dramatic irony, short of putting in place at least some distributive measures, capitalist competition will continue to put pressure on further cuts in production costs, and the final demand will thus continue to decline, and, in the final analysis, threaten the accumulation regime itself.

(2) Participation.

The horizontal axis in Figure 1 shows several different degrees of worker involvement in negotiating the terms of their employment. Thus Dohse, Jurgens, and Malsch (1985) show in their treatment of Toyotism that enterprise-based negotiations have their limits. In our analysis we have seen that under Toyotism workers are virtually forced into cooperation or "participation" in a process of constant challenges designed to improve the efficiency of the production lines. But this sort of participation was decidedly one-sided, leaving no space for articulation of the workers' needs. This is important to note, because, as we will argue below, an authentic participative voice is crucial for ensuring that the practice of production and distribution has a social content. Yet the Toyota system comes closer (than the USA model, for example) to the external rigidity of the labour market which, as we have seen, was characteristic of broadly negotiated contracts under Fordism. And it was chiefly the social content and distribution which kept Fordism going for as long as it did. Nevertheless, the Toyota JIT system does require functional flexibility of its workforce, and the skills of their workers are constantly being up-dated. This in itself could be a positive factor, but what is missing in Toyotism is the workers' autonomous voice which might help mediate the ongoing intensification of their work effort caused, in the final instance, by capitalist competition.

But most importantly, perhaps, as Leborgne and Lipietz (1992) are at pains to point out, flexibility and collective involvement stand in contradiction to each other. This contradiction is shown as a triangle in *Figure 1*. This does not mean that the notion of new production concepts, such as multiskilling, multitasking, and reskilling could not be integrated in negotiated agreements. What it does imply is that the introduction of new production concepts into the workplace requires collective criteria to safeguard the welfare of the workers instead of simply pitting workers against each other in competition for jobs.

This said, as Kern and Schumann (1984a,b) argue, technological innovation and the new production concepts can give rise to re-skilling rather than deskilling of the collective worker. The point, however, is that the reskilling path requires an immense social struggle over a new social compromise. And for that struggle to occur, certain institutional changes are required. In Germany these struggles or negotiations take place at a sectoral level. This allows for the labour market to be more organized or more rigid in the sense that it limits the firm's risk of competition from firms using cheaper labour. Also the training tends to occur at a national or sectoral level. In Germany, for example, training programmes are linked and institutionalized through a system of quasi-public bodies, with membership by individual firms being compulsory and requiring them to pay a certain proportion of their tax in the form of a levy to support these programmes (Mahnkopf, 1991). The sector-wide and institutionalized training certainly has advantages over a system in which skills are developed competitively by individual firms, but where, at the same time, the individual firms are reluctant to get involved in such skills development for fear of having their skilled labour *poached* by competitors (a free-rider syndrome), as has been, for example, the situation in Australia (see Curtain, 1987).

But the German training system has been traditionally skill-oriented, and it might thus be relatively easier for the German trade union movement to "seize the opportunities" (Op. cit.) offered by *new production concepts*. Yet German workers, too, have to take cuts in their pay[66] and now are increasingly even threatened with unemployment, which rose in January, 1996, to more than 10% (10.8%)[67] for the first time since the end of WW2. In particular, the problem is that both the German and the Japanese economies, which are deemed economically successful, are not doing very well out of post-Fordism, even though they are employing an enterprise-based and/or a sector-wide collective bargaining and thus a greater socialization of labour than the struggling economies of the USA or the UK. If the German workers find it difficult to assert their voice when it comes to the issues of distribution and socializing the effects of structural adjustment, might we ask what chances do the workers in other countries such as Australia, the UK, New Zealand, or Canada have to succeed where the German trade unions are failing?

Our point, nevertheless, is that at the present historical conjunction the strategy of worker participation and empowerment, as urged by Kern and Schumann, represent a more promising alternative to that of neo-Taylorist flexibility. And it is so chiefly because only a negotiated settlement at a society level can effectively alter the structural conditions which at present favour speculative investment in, for example, capital markets, depriving thus the industrial sector (where the bulk of jobs might, potentially, be created) of crucial investment funds (van der Pijl, 1984, see also Hinkson, 1986) that the strategy of collective involvement presents itself as a preferred option.

The other reason, of course, is that a genuine social dialogue might restore the cultural content in an economic system which has been long abstracted from its cultural matrix. That is, culture by definition, tends to unify the mind and the body, or the conception and the execution of work tasks. Piore and Sabel's (1984) notion of unifying the two in a system come to be known as post-Fordism is a good idea. The dramatic irony is that its execution is impeded by its own dynamics, drawing its energy, as it were, from egoism (or anti-collectivism) of capitalist competition. And it is this *acultural* individualism which tends to render the *cultural self* increasingly vulnerable to ego-fragmentation and dispersion, and to forms of defensive self-integration and to reorganization that mirror the world of commodities (Wexler, 1985: 392). In other words, deprived of its cultural self, post-Fordism is bound to follow the path of further alienation.

Wallerstein (1988) understands this well when he argues that the Iron Cage of late capitalism's modernization hurts the oppressors, too, by depriving them of their human

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[66]*Does Making Things Matter?* Cable TV, PBS Detroit, 21 January, 1996, at 8pm.
[67]*The Edmonton Journal*, 9 Feb., 1996, p. A5.

wholeness and their possibilities of self-realization, for their egos, too, are reshaped by the world of commodities and by the post-Fordist environment of aggressive competitiveness. It would thus be a sheer folly, contrary to the Reaganite claims of cultural restoration which puts an explicit trust in the presumed heroism of capitalist entrepreneurs (see Whitaker, 1987: 12), to follow a mind separated from its body. For this reason, a dialogue between workers and capitalists is a necessity. And it is at this moment that we might invoke the Habermasian notion of communicative competence.

Our point is that concepts such as *collective involvement* need to be empirically *unpacked*. Take, for example, the practice of "decentralized discussion forums" under the Toyota system. The key analytical categories we wish to focus on are: foreknowledge of the participants, illocutionary force, and systematically distorted communication. We believe that we may safely argue that the managers' foreknowledge is closely integrated with the company's goals. The management's goal is then to maximize profits through intensification of work efforts of workers, cut costs, and ensure a smooth flow of production by close supervision of workers' performance. These managers are also responsible for evaluation of personnel in terms of their individual careers. The same managers take part in the collective discussions whereby workers are invited to voice their concerns about their welfare and so on. If we assume that the workers are concerned about the intensification of their work effort, then there is a clear conflict between the management's goal (intensification of labour) and the workers' goal (quality of working life).

Having a hold over the workers' future careers, the managers by their very presence necessarily inhibit any articulation of authentic concerns the workers might have about their working conditions. In other words, there is a *strong asymmetry in terms of power distribution between the management and the workers.* The appearance is participative, but what underscores this "collective involvement" is a fear of losing a job or being otherwise punished. The words used (i.e., the signifier) might be those of "quality of working life", but the meaning (i.e., the signified) has to do with "be quiet about your problems, and do as you are told, or you might lose your job". This situation, when we say one thing and mean another, typifies what Habermas (1972) described as a *systematically distorted communication.* But such systematically distorted communication can occur only when the speaker has structurally embedded power over the other speaker. It would seem to us that this asymmetry of power distribution is inherent in capitalist production. Does it then make any sense to speak of genuine collective involvement in decision making under the conditions of capitalist relations of production? What would need to change to make collective involvement possible?

Leborgne and Lipietz (1992) argue that workers and capitalists need to establish a commonality of destiny. They present Kalmarism as a system that approximates the ideal-type, negotiated settlement between workers and capital. Looking at Figure 1 again, we can see that Kalmarism stands for external rigidity of the labour market and that it is associated with negotiated involvement of the workers. Yet even in Sweden, as Albo (1994) points out, post-Fordism is not faring very well, and the Volvo plant in Kalmar has closed down. Why should that be?

Wilde (1994: 193) describes three conditions for the development of production politics: (a) government without a petty-bourgeois coalition, (b) a high level of white-collar (and blue-collar) unionization, and (c) a long period of government by a socialist party. In Sweden all three conditions were achieved. Yet in the 1980s the Swedish Social Democratic party was losing support because the economy became more difficult to manage. What this means is that the Swedish *solidaristic* bargaining system could not compete with those countries which opted for a hyper-liberal labour market arrangement (e.g., the UK, the USA) and with the low-wage economies in Asia and other peripheral economies. In other words, the difficulties the Swedish Kalmarian system began to experience in the 1980s were not associated with some inherent flaw in Kalmarism, but

were instead imposed by external factors. We have earlier identified these *external factors* as contradictions inherent in capitalist competition.

This then is the present scenario which underscores the political struggles between profit-driven push towards individualized labour-market flexibility and a counter-action promoting a society-wide negotiated settlement, inspired by social solidarity. In our view, any aspiration to establishing some commonality of destiny of firms and their workforce will require more than just a trade union struggle in the workplace. These political struggles need to extend to national, continental and global levels of politics. Among other things, a necessary precondition for that to happen implies also that progressive social opposition to hyper-liberalism needs to marshal its forces at these respective levels of politics to address the problem of pre-theoretical knowledge (foreknowledge) of the representatives of the capitalist class. To use Laclau and Mouffe's (1985) term, a progressive counter-hegemonic action needs to execute a *hegemonic suture* [68] to convert the global capitalist class to the cause of prosperous-for-all capitalist Kalmarism. But if that happened, the qualifier "capitalist" would most likely become redundant.

To conclude, we would like to argue that a necessary starting point for that type of social action must be our educational system. Specifically, a society-wide provision of educational and training, as represented by the Australian Vocational Certificate system, is a good starting point. But the educational and training provision needs also to be informed by cultural identities of teachers, trainers, and students. The external flexibility model is not suitable for cultivating cultural identities. We have seen that in the discussion above. The way to go, then, is to put in place institutional structures which would allow authentic participation of teachers and students in designing and executing the strategies of teaching and learning. The industrial relations in our educational enterprise, therefore, must go beyond the pseudo-participation model characteristic of the Toyota industrial relations, and beyond the formal back-to-basics approach advocated by some neo-liberal politicians. business corporations, and analysts (e.g., Klein, 1994, ACR, 1991, Mayer, 1992a,b, Lawlor, 1990, D. Hargreaves, 1994, OECD, 1989c). At the same time, and perhaps most importantly, to avoid the loss of competitiveness on the global markets (which such measures would inevitably produce vis-a-vis those countries which might retain the neo-Taylorist model), such social action would need to occur simultaneously in all industrially developed countries.

6.4. Summary.

In attempting to answer the question: Can post-Fordism resolve the contradictions inherent in capitalist competition? we have found that the trade-union-friendly analysts advocating post-Fordism, such as Piore and Sabel (1984), Kern and Schumann (1984a,b, 1987), Mathews (1989a,b,), Badham and Mathews (1989), and Mathews et al. (1988) tend to emphasize the notion of commonality of destiny of firms and workers without, however, paying much attention to the contradictions inherent in capitalist competition, antagonistic class struggles, and the revolutionizing forces of production. Combined, these contradictory aspects of capitalist production tend to frustrate all efforts directed at ameliorating the conditions under which the post-Fordist employees work. The incompatibility of the progressive post-Fordist struggles with the growing global capitalist

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[68] The concept of suture presupposes that a subject is produced or formed through a never-ending chain of social (hegemonic) discourse. It presumes a non-correspondence or difference between the subject and the other. This non-correspondence can never become a total correspondence. Suture then names the relation of the subject to the chain of its discourse; it names the available space within the identity, which always remains incomplete, and at the same time it names the *filling in* of that mental space (Laclau and Mouffe, 1985:88f).

competition was clearly demonstrated in the sorry demise of the Volvo auto plant in Kalmar, Sweden, which modeled its industrial relations on the post-Fordist principle of collective involvement in the operational decisions.

At the same time we found that the language used to describe a post-Fordist industrial organization (e.g., multiskilling, upskilling, increased autonomy and worker participation, or unification of conception and design) tends to mask the reality of an intensified, fragmented, and highly controlled labour process.

Consequently, we have located the central tension immanent in the post-Fordist debate in the contradiction between individualized, neo-Taylorist flexibility, and a collective involvement in negotiating workplace settlements or contracts. Indeed, this contradictory space was shown to be responsible for a common confusion between neo-Fordism and post-Fordism--neo-Taylorist flexibility and collective involvement are incompatible.

Finally, we have argued that the post-Fordist agenda tends to suffer from technological determinism. In other words, post-Fordism cannot be defined solely in terms of flexibility or flexible specialization. In fact, post-Fordism typically means a co-existence of conflicting models of industrial development, ranging from primitive forms of Taylorism and sweatshops to highly skilled and technologically sophisticated plants in the core industries. For that reason it is not clear why post-Fordism should become a world-hegemonic system of production. And, furthermore, in the same way Fordism owed its life to the Keynesian mode of social regulation, post-Fordism cannot be thought of as a regime of accumulation in its own right, but needs to be complemented by a mode of social regulation that will make it work. We have argued that hyper-liberalism cannot ensure a sufficient aggregate demand to stimulate consumption and thus guarantee reasonable profits. The new mode of social regulation is still in the making, and it is thus by no means clear what shape the after-Fordist regime of accumulation will take. At the same time, the post- (or after-) Fordist division of labour is a political issue, and as such cannot be seen as determined solely by the needs of the industrial process, but must be resolved through political contestation.

With these qualifications, we will now turn to the current developments in the labour market. In particular we will focus on the new ideal-type industrial worker and his/her characteristics as indicated by labour-process literature. Our next task then will be to consider how our schools fit into the pattern of post-Fordist reproduction of social relations. And finally we will briefly consider how the changed characteristics of post-Fordist workers might impact on teachers' work.

7
POST-FORDISM AND MARKETS

7.1. Introduction

What do we mean by markets and the market mechanism? What can markets do, and what might be beyond their capacity to achieve? Simple questions to answer, it would seem. Yet there is a great deal of confusion about the role of the market in our present society. In this chapter we would like to enter the debate about markets, and, although our major interest is in the labour market, we would like to attempt to clarify at least some of the confusion surrounding the issue of what role should markets play in our society.

We do, nevertheless, accept the premise that the market mechanism represents a reasonably efficient form of economic organization in which individual consumers and producers interact to establish, or rather approximate, a sort of harmony between supply and demand. As Samuelson and Nordhouse (1985) put it, markets are eminently suitable for determining: what goods are to be produced, who the buyers are, and how best to satisfy the demand. We, therefore, concur with the claim made by economists that markets are useful and, perhaps, necessary for economic growth (Smith, 1937).

Yet, at the same time, a measure of caution needs to be exercised when we consider introducing market relations into other than economic spheres of social relations. In particular, we would argue that the market mechanism, with some additional qualifications, is an appropriate mechanism for managing the exchanges that take place within the economic system, but that it is less appropriate for the management of social and interpersonal relationships in the context of the lifeworld.

Furthermore, we would ague that, even though the *system* and the *lifeworld* do appear to be analytically distinct categories, in practical life the system and the lifeworld overlap with each other to the extent that one sphere simply does not make sense without the presence of the other. By this we mean that work skills, for example, cannot be separated from the life-histories of the workers--one simply does not leave one's personality in the locker-room before entering the workplace. By the same token, private citizens carry memories of structurally embedded social and technical relations of production into the private sphere of the lifeworld (cf., Giddens, 1984). This can happen through ideological interpellation (Althusser, 1981) through mass media, individual purchasing capacity, a particular accent, and even the color of the skin, or the gender. Here Benhabib's (1985, 1987) critique of bourgeois universalism, which is explicit in the post-Fordist articulation of market relations, and which ignores the uniqueness of the "concrete other", is well taken. At the same time, the "univerilized" social relations of production are increasingly extended even into the away-from-work space, as in the case of most Japanese workers (Wolferen, 1989, see also Dohse, Jurgens, and Malsch, 1985).

This is important to note especially in the present context of our discussion of the labour market. That is, we would argue that the labour market is not totally immersed in the system, but rather that through the bearers of labour power (i.e., people), the lifeworld interests are brought into the labour market and into the workplace. We have, therefore, strong reservations about the current trend towards a *real subsumption* of the workplace by

the capitalist forces of production (cf., Campbell, 1989, Marx, 1976), as such subsumption involves not only the appropriation by capital of the workers' time and skills, but also of their personalities--that is, of their lifeworld.

The following discussion will be divided into three sections. In the first section we will discuss the relationship between a social system of production and the role individual social agents might play in maintaining a sense of social cohesion necessary for the system as a whole to function. We will particularly focus on the period of transition from Fordism to post-Fordism, and we will look at the changes in the delicate balance between the interests of the economic system and the interests of the lifeworld. In the second section we will argue that the lifeworld and the world of work are two aspects of the same phenomenon. In that sense, the workplace represents a sort of meeting ground between humankind's eternal pursuit of the *good life*, on the one hand, and the *reality principle* (Freud, 1991), on the other. We will further argue that any attempt at purging the lifeworld constituents from the life of work represents regressive social action, as the vital space that might connect at times even antagonistic lifeworld interests is destroyed, and the possibility of finding a creative solution to mounting social problems simply disallowed. Finally, we will define the concept of the lifeworld. Focusing particularly on the provision of education, we will try to see how the interplay between cultural interests and the imperatives of capital accumulation might, at different historical moments, generate for teachers different individual and collective narratives, and how these narratives translate into different professional practices.

7.3. The system and the labour market.

In modern times, the notion of the system can be traced to Durkheim's functionalist sociology. Durkheim wanted to understand how social facts impose limits on human behaviour. He found an answer in specific types of solidarity which act as a cement, holding the society together, and maintaining its order. Durkheim was no economist, but he understood well the role played by the division of labour. Increased specialization, expertise, and skills development were needed for economic growth. But for Durkheim, economic growth also required social stability and harmony. In other words, economy and society were conditioning each other; that is, not in the sense that one was the other, but in the sense that one could not exist without the other.

Thus, under ideal-type circumstances, there can arise a natural division of labour whereby all or most workers develop a healthy sense of identity which corresponds to their role in the workplace and in the society. On that basis they develop a sense of attachment to the society, as, at the same time, their behaviour is regulated through emerging social structures which again correspond to the complexity of the division of labour. This emergent socio-economic system was, for Durkheim, underpinned by organic solidarity.

Durkheim was, of course, well aware of the *anomies* that tended to occur in the capitalist organization of production and in its division of labour. *Anomic* and *forced division of labour*, he argued, tended to occur at times of rapid transition from one type of socio-economic organization to another. That is, during periods of rapid change, typically accompanied by unemployment, a mismatch between workers' skills and work tasks, and by growing alienation of workers who saw their sense of security and aspiration thrashed, there also emerged a tendency towards social disorder, manifest in increased crime rates and suicide. For Durkheim such social disorder was the consequence of the loss of social ethos and inappropriate social regulation (i,e., either the regulation was missing altogether or was too strong).

In the above sense, our interest in Durkheim is two-fold: Firstly, Durkheim lays out the foundations of an economic system which is inextricably intertwined with its social matrix--if one fits the other, a cohesive solidarity, a sense of moral togetherness, or to use

his term, collective conscience, emerges to hold the society together. A moral sentiment is for him, therefore, a necessary precondition for an advanced and highly complex society, such as ours, to function. Secondly, his description of a rapid change in the economic sphere and in the labour market, with its accompanying consequences of social disorder, anomic division of labour, unemployment, and so on, seems to us fit the current transition from Fordism to post-Fordism.

This said, perhaps it might be appropriate to note that our intention is not to promote Durkheimian functionalist analysis for the purpose of understanding the tumultuous transition from one regime of accumulation to another. Yet, we would argue that Durkheim's analysis does offer useful insights for our own analysis of the post-Fordist labour market. In particular we refer to the sense of collective social purpose and how it is conditioned by the individual social agents' perception of their own worth and the role they might play in the society. This interconnectedness, or solidarity, is defined by Durkheim as moral density.

This insight, of course, is not uniquely Durkheimian. Sigmund Freud defined Durkheim's *moral density* in terms of *libidinal ties* . Freud argues that our collective capacity to inhibit social destruction on a massive scale crucially depends on social ties[69]. In this respect, Freud argues that a community can peacefully coexist only when its members are bound together by libidinal energies. The binding occurs when a part of libidinal desire is renounced and converted (through work, art, or some other activity perceived to be of value to the community) in order to establish strong identification between social agents (1991: 299). Such libidinal ties inhibit the aggressive drive (1930: 85).

But a culturally induced deprivation brings also a risk: if the deprivation is not made good economically, serious disorders might occur. Here the notion of "economy" has a double meaning. Firstly, it refers to a system-provided reward for the individual in return for his/her renunciation of libidinal desire--it refers to the distribution of the available wealth (1991 [1927]: 184). Secondly, it refers to the economy of individual libido systems. For example, if a frustration consequent to libidinal renunciation does not meet with anticipated reward, this frustration is likely to turn into aggression and hostility. Our point is that the post-Fordist regime has a tendency towards significant social dislocations and economic marginalisation (Smith, 1987; Henderson and Castells, 1987). This is evidenced in growing labour-market segmentation (Harvey, 1989), a point we will pick up in the following chapters, and in the growing disparity in the redistribution of national wealth in most contemporary economies (see, for example, Jones, 1992, Harvey, 1989). There is also a growing dissonance between the political leadership rhetoric and the experience of the unemployed, marginalized, and disenfranchised constituencies. In this respect, Freud (1930: 91) warns against situations where the social forces of cohesion consist predominantly of identifications of individuals in the group with one another, but where the cultural and political leadership fails to acquire the significance for the group. Here Freud specifically warns against a spontaneity of aggression en mass, uncensored by a libidinous investment in a broader social identity. The racially inspired riots in the UK, the USA, and most recently in what used to be East Germany exemplify our point.

We can thus see that for both Durkheim and Freud a healthy labour market is of crucial importance for general social well-being. Yet Freud's analysis is undoubtedly more

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[69]Freud refers to libidinal ties. Libido for Freud is a creative energy (Eros) which is generated through coming together of spontaneous creativity, recognition of the other, and the realization of the practical and aesthetic implications of mutual interdependence between social agents. With reference to massive social disasters, such as wars or economic depressions, Freud conjures up the image of Thanatos (death), the contradictory urge to destroy, which continuously hangs over our heads. In his narrative, the history of our civilization is a unrelenting struggle between Eros and Thanatos. We will leave it up to the reader to decide which social forces in the current destructive restructuring of our society might be acting out the role of Thanatos.

complex than Durkheim's, as it introduces a psychological dimension into our understanding of the labour market; namely, it brings in the interplay between id, ego, and superego. Freud helps us understand the dynamic underpinnings of Durkheim's forced division of labour. The point we wish to make is that under neo-Taylorist flexibility, which is characterized by a real subsumption of labour by capital, workers are forced into virtually accepting whatever conditions of employment might be offered them. Collective workers' ego system thus tends to become fragmented, because the sense of satisfaction derived from increasingly alienating work tasks is lost (and we argued earlier that this sense of satisfaction is crucial for establishing libidinal ties with fellow social agents), and because the previously integrated ego system tends to develop an internal conflict between its previously integral parts. The question is which of the three (id, ego, superego) might become dominant. In Durkheimian analysis, a dominant superego might result in an anomic suicide, and when ego becomes dominant, this would result in an egoistic suicide.

Of course, the loss of collective conscience need not result in a suicide. Instead it may lead to a fundamental reorientation of social agents from sharing a collective purpose to setting individual or egoistic purposes. We would argue that this is what has been happening in the wake of structural adjustments that swept through the industrialized world in the last ten or so years.

However, what is at issue in this context is not only the restructuring of the economic and administrative system--i.e., of the workplace and the style of governance--but also, and even more importantly, the impact such restructuring has had on the ego-integrity of social actors. As Wexler (1985) argues, the fundamental changes in social organization, economic production, and in culture have resulted in a tragic fragmentation of the modernist narrative. The consequence is that, as a society, *we now lack the capacity to write a comprehensive narrative which would view the current developments at a micro-level in a more holistic sense.* We have lost our collective memory, and, therefore, we have lost our capacity to be concerned about our fellow human beings who, in the process of rapid socio-economic change, were left out of the new *marketized* social space. In this sense, the penetration of the market relations into the lifeworld carried within its *structural bowels* not only the new social relations of production, but also a postmodern/post-Fordist/post-Keynesian mode of social regulation. This new mode of social regulation, however, consists not so much of overt rules to be followed as typically by the absence of such rules. What we mean by this is that the current ascendancy of the hyper-liberal style of governance has brought about a withdrawal of the state from the collective responsibility for the well-being of all social actors. The change that has occurred has been towards shifting the onus for individual well-being to individuals themselves.

This in itself is not necessarily a negative development. In fact, under somewhat different circumstances it might be extremely desirable. But such a switch in emphasis also requires fundamental structural changes that enable individual social actors to assume responsibility for their own well-being. But we have earlier argued that the changes in economic production, in the wake of the crisis of Fordism, have so far resulted in a radically decreased opportunity for employment for a growing number of social actors. Under those circumstances it is impossible for many to become economically self-reliant. In this context, our point about the new mode of social regulation is that, given the structural contradictions underpinning the new regime of accumulation, its overriding purpose is to defuse any potential resistance to the hyper-liberal style of governance, rather than to extend opportunities for all to be integrated into the post-Fordist market relations. The post-Fordist *national security state* is designed to effect such diffusion of potential resistance (Whitaker, 1987; cf. Haeusler and Hirsh, 1989, Offe, 1984).

Furthermore, we would argue that the fragmentation of the social narrative is precisely replicated at the level of individual experience--the self becomes increasingly vulnerable to ego-fragmentation and dispersion, to forms of defensive self-integration, and to reorganization that mirror the world of privatized and marketized social relations at the national and global levels (Wexler, 1985: 392). This ego-fragmentation is, then,

structurally driven: in the workplace, the economic system subsumes the self; in the context of social governance, the self is severed from the social superego; and in the cultural sphere, the self is denied any thematic continuity between the performance of the economic/administrative system and individual lives. There thus emerges a phenomenal paradox whereby the system proceeds to further colonize the lifeworld of the majority of social actors (as in JIT production system), on the one hand, while at the same time threatening to eliminate from such a *systemized* society those social actors who have become redundant in terms of the overall system's performativity (Lyotard, 1989), on the other. That the current ruling class can get away with this *arrogance* and *terror* (Ibid.), we would argue, has been made possible precisely because of the loss of ego-integrity at both individual and societal levels.

7.4. The lifeworld and the labour market.

In arguing that the present transition from Fordism to post-Fordism represents a socially regressive tendency typified by what Habermas (1989) describes as a colonization of the lifeworld by the economic and administrative system, we do not adhere to some essentialist position whereby it might be claimed that there is one developmental path to be followed, and that any deviation from that path need necessarily be regressive. We would, however, argue that Habermas' notions of ideal speech situation and communicative competence provide a useful approach to analyzing social action (such as the deregulation of the labour market), and that, at the same time, they provide universal criteria for public discourse which is to underpin such social action. What we are suggesting is that certain objective conditions need to prevail if public discourse is to lead to a *progressive* social action. In this respect, the ideal speech situation describes the condition of equality for all social agents to contribute to a public debate on any issue. In this sense, the democratic right (as inscribed in the democratic structures of governance) of social agents to take part in public debate is the key social structure which might help prevent the noxious encroachment of the interests of the economic system on the interests of the lifeworld.

There are, nevertheless, two provisos we wish to note in this context: first, one condition must be that all participants might be able to contribute to setting the agenda, and, second, some communicative competency criteria must be used to discriminate between *crackpot* ideas and genuine pursuit of the community's interests. With respect to the former, it has become far too common for governments and bureaucrats to consult the general citizenry on specific issues in order to gain legitimacy, especially for socially unpalatable policies. But typically, choices presented to the constituency are limited, and do not ask the crucial questions. The pamphlet, *What Are Your Choices,* distributed by the Klein government in Alberta, exemplifies our point. There the government asks people if they do or do not want their taxes reduced. That clearly is a redundant question, as most would want to pay less taxes. Yet what is left out are the fiscal consequences of such a tax reduction with respect to the state carrying out its function of governing for the benefit of the whole community. (Might this be interpreted as a perlocutionary action by the Klein government in order to legitimate further cuts to public spending?) Our second proviso refers to the problematic of differentiating between socially constructive and socially destructive ideas. It is, of course, impossible to introduce some absolute measure by which individual ideas could be judged. Yet, clearly, as Young (1990) points out, not all participants are equally communicatively competent. For example, the views of Adolf Hitler and Martin Luther King with respect to setting up a child care network in some Jewish or African-American suburb would have, we would argue, a different measure of competence attached to them--that is, from the public good point of view. Public discourse then needs to be protected against being dominated or colonized by *private* or *communicatively incompetent* agendas of some participants.

We will elaborate on how precisely this process of colonization might affect education in the following chapters. Here we would like to attenuate what we understand by the *lifeworld*, and what role we might ascribe to the lifeworld within the context of the labour market.

First, what do we mean by the lifeworld? We propose to define it in terms of life projects of individual social actors. The goal of any individual life project is to achieve economic security but also *intellectual autonomy*. For our purpose, intellectual autonomy is defined in terms of communicative competence in the linguistic, cognitive, social and psychological domains.

Following Habermas (1984), we have argued that intellectual autonomy becomes manifest in the capacity to enter into an argument without any preconceived instrumental purpose. In opposition to Weber (1949), Habermas draws a distinction between *purposive-rational action* and *orientation towards understanding*. The former corresponds to the utilitarian position (e.g., Spencer), which argued that social development and harmony derive from the propensity of individuals to pursue their own, rationally identified goals and purposes. In the area of political economy, this view was most strongly expressed in the writings of Adam Smith (1937). Smith argued that self-interest leads to market exchange, which fosters the division of labour, which leads in turn to specialization, expertise, dexterity and an improved production system, and, ultimately, to the creation of greater wealth. The latter describes an orientation towards learning through discourse (Habermas, 1984).

For Habermas, the outcome of a social action is never pre-determined, and, in any case, might lead only to a provisional consensus. But the process of negotiation is important precisely because it offers an opportunity for new understandings to emerge. This point cannot be emphasized enough--that is, that a genuinely dialogical negotiation might lead not only to some sort of compromise (e.g., finding a middle way between opposing views), but that when a genuine dialogue connects two or more individual lifeworlds, the resulting synthesis might extend far beyond the limits of each individual lifeworld. Such intersubjectivity--i.e., openness to different points of view and willingness to learn even from oppositional views--offers a superior mode of public discourse to that of the utilitarians and the present day economic libertarians. It is superior because it provides objective conditions for promoting social understanding and social action which might extend beyond a monologically defined rational purpose.

This differentiation between social action oriented towards understanding and social action oriented towards achieving a rational purpose is crucial, especially in the context of the current privileging of the role of the presumably rational and purposeful market by the economic libertarians. Markets, of course, cannot become agents in their own right. Deferring to markets, within the context of social governance, then inevitably privileges the economically strong agents. But if that is the case, any social action that is mediated through market relations will inevitably leave out a wide range of societal inputs into public policy formation. And as we have argued, such a one-sided approach is unlikely to yield any new and creative ideas for resolving our present social and economic crisis.

The other important point is that in the discourse of economic liberalism the market is presented as neutral. Yet this presumed neutrality is not so clear, especially when we consider the enormous power multinational corporations wield even over nation-states such as the USA (Burawoy, 1985, Reich, 1991). What chance might smaller states or individual workers have in an increasingly deregulated labour market vis-a-vis the multinationals? But these observations throw a somewhat different light on our claim that post-Fordism is shifting the balance between individual social actors and the economic system.

What we wish to emphasize then is that the colonization of the lifeworld represents a change of rules which mediate the social relations between the capitalist class and the workers. In other words, the system is a buffer which separates two categories of social actors: the owners of capital, and the workers. In this sense, and given the political and economic power the capitalist class has in today's global economic society, the pursuit of

purposive-rational action by all parties can have only one result--a growing division between the powerful owners of capital and those dependent on selling their labour power, excluding from the latter category, perhaps, the privileged section of symbolic analysts, who, according to Reich (1991), might constitute some 20% of the USA workforce.

Nowhere is this colonization of the lifeworld more apparent than in the shift that has occurred in the area of industrial relations. Here we refer particularly to the emerging dichotomy between the neo-Taylorist flexibility and the Kalmarian consensual approach towards labour relations (as discussed in Chapter Four). We have seen that the former tends to disempower workers by pitting them against a presumably neutral and impersonal regime of market relations. Workers are asked to attune their aspirations to what the economic system might require of them. At the same time, they are expected to become life-long learners, constantly updating their skills as the labour market might need them (OECD, 1989a). And, as Hargreaves and Reynolds (1989) argue, teachers' personalities might even be re-shaped to fit in with the functionally corresponding student outcomes especially in the low SES schools, in order to promote attitudinal adjustment in students. But in this environment dominated by the ideology of functional or instrumental schooling and training the vital areas of social life which reflect important, at times compelling, needs of the lifeworld, have been marginalized and even expelled.

The Kalmarian regime, on the other hand, promotes the interests of the lifeworld by taking the private labour contracts out of the narrow private sphere onto the level of the whole society, where all contingencies are considered and accounted for. In the Kalmarian regime, then, the lifeworld extends beyond the limited space of individual social actors and includes the social, political, economic, and cultural dimension that separates individual social actors, whether they be sympathetic or antagonistic towards each other. In this sense, Kalmarian industrial relations indicate a development towards an ideal speech situation, precisely because private interests are subordinated to the interest of the whole society.

And here emerges the importance of the role the state might play, with its structural, legislative, and institutional powers, with its capacity to regulate the antagonistic tensions in the capitalist society. A role, perhaps, not unlike that of global Keynesianism, as suggested by Piore and Sabel (1984), in its practical implications. At a theoretical level, such global Keynesianism would need to go beyond the Keynesian-Fordist truce between labour and capital. We are thus not proposing a return to Keynesianism in the sense of structural empowerment of social actors that might lead to a competition between antagonistic claims, but rather an establishment of state-sponsored institutions (public and semi-private) which would encourage social behaviour consistent with the principles of communicative competence and an ideal speech situation. An arduous task, to be sure, yet necessary in the interests of the whole society.

A good starting point for such a journey, we would argue, must be a radical revision of our educational system. Radical, that is, in the sense that the lifeworld's interests must be brought back into the curriculum. For let us remember that the social dimension of the lifeworld can operate and be sustained only on the basis of the maturity of its composite parts--individual citizens. What we are then suggesting here is that Kant's (1959) concept of individual maturity (intellectual autonomy in the Habermasian sense) has traveled a long way to take on the appearance of a maturity of the species in the writing of Freud (1991), Marcuse (1973), and most recently Habermas (1979, 1984). Such social maturity is expressed in the organizing principles of public discourse--who takes part, who sets the agenda, whose interests are listened to. The lifeworld, then, is the

> transcendental site where speaker and hearer meet, where they can reciprocally raise claims that their utterances fit the world (objective, social, or subjective), and where they can criticize and confirm those validity claims, settle their disagreements and arrive at agreements (Habermas, 1989: 126).

Yet in our present corporatized society the social dimension of the lifeworld appears to be squeezed out and replaced by the so-called imperatives of economic performance. In the management literature this view goes under the name of new managerialism (see Considine, 1988, Marginson, 1993). This is presumably a neutral mechanism serving to allocate resources in a most efficient manner. But at the same time, the new managerialism redirects the claims made by individual lifeworld interests from the public arena towards monetary exchange relations (see Offe, 1984). Certainly, as Triado (1984) observes, new managerialism reduces any potential conflict between participating parties by restricting the range of social inputs into public policy formation and by a deliberate strategy of exclusion of those lifeworld interests not identified with large corporations, governmental departments, or those voices which are ideologically "safe".

Our social institutions, including schools, teacher training institutions, and industrial relations tribunals are being increasingly subsumed by these corporate interests. The lifeworld interests, on the other hand, are losing out certainly at the societal level, and even, it would seem, at the level of individual social actors (cf., Wexler, 1985,1987). We would argue that this *squeezing out* of the lifeworld interests has certainly occurred in the area of industrial relations and the restructuring of the workplace, and that this has had a very real impact on the reshaping of the labour market. However, before proceeding further with our discussion of the labour market deregulation and its consequences, let us briefly discuss the key components in the individual lifeworld. Understanding the dynamics involved in the construction of the lifeworld should help us understand the impact that the deregulation of the labour market might have for the lives of individual workers, on the one hand, and for the society at large, on the other.

7.5. The lifeworld: its analytical components

(i) Deregulating public discourse. In our earlier analysis of the emergent post-Fordist production regime we noted that the post-Fordist industrial organization is characterized by a vastly increased intensification of labour, by the loss of many benefits gained under the Keynesian settlement and, by the general degradation of working conditions especially for the peripheral (i.e., the majority) of workers, and by the rise in the ratio of constant to variable capital. We have further argued that these developments are driven by three fundamental contradictions in capitalist production: inter-capitalist competition, class antagonism, and revolutionizing forces of production. The rise in the organic composition of capital is largely a consequence of the development of new technologies and of global competitiveness. But at the same time, the individual nation-states either judged it strategically important or were forced by the "tyranny of capital mobility" (Burawoy, 1985, Sassen, 1991) to deregulate and open up their markets to global competition. In the area of industrial relations and workplace restructuring, however, the national governments played a much more assertive role in promoting the rights of private companies vis-a-vis workers.

This certainly was the case in the USA under President Reagan and in the UK under Prime Minister Thatcher (Whitaker, 1987). Bowles, Gordon, and Weisskopf (1984) also argue that the structural adjustment policies in the USA, including high interest rates (cf., Barlow, 1991, McQuaig, 1995, on the role interest rates played in Canada), changes in social policies, and the regressive redistribution of wealth and income, were all designed to increase the power of capital over workers, a position also argued by van der Pijl (1989).

Similar changes in industrial relations have taken place in New Zealand (Schwartz, 1991) and Australia (Buchanan and Callus, 1993, Dabscheck, 1993). And as we have argued, neither the regime of competitive austerity (e.g., in the USA, the UK, New

Zealand) nor the regime of progressive competitiveness (e.g., in Australia)[70] have led towards stabilizing the socio-economic environment in these countries (Tickell and Peck, 1995, Hay, 1995). There certainly has not been any sign of a sort of economic recovery that would lead to more jobs. In fact, the profits of private companies have soared, while the job market has remained virtually static. In Canada (see Evenson, 9. March, 1996), for example, there were some gains, but out of 137,000 new jobs created between December and February, 1995/6, only 44,000 were full-time jobs, while 88,000 were part-time work. At the same time, even for most of those few full-time positions long-term job security has vanished (Beauchesne, 19 Jan., 1996).

The overall quality of the post-Fordist job market is thus marked by a notable degradation of working conditions. In Alberta, for example, the fiscal and monetarist measures taken by the Klein government resulted in huge redundancies in the public sector, caused partly by cuts in public funding and partly by privatization of some governmental instrumentalities. The Alberta government has officially withdrawn from its already weakened role of mediating between the antagonistic interests of the workers' lifeworld and those of the investment capital. Let us remind ourselves, that the Keynesian state, with all its shortcomings, did, nevertheless, promote important democratic institutions which served to protect the workers' lifeworld against the unscrupulous demands of capital. Even such staunch conservatives as Dalton Camp[71], following the direction of the father of economic liberalism, Adam Smith (1937) himself, reminds us that

> government in a democracy is the [people's] only instrument that can assure fundamental justice and rudimentary protection against the rapacity of private interests seeking only private gain and advantage (Camp, 9 March 1996).

The case of Alberta is, of course, doubly interesting as Alberta is considered by the corporate capital in Canada to be a harbinger of hyper-liberal austerity measures for Canada as a whole. And it was in Alberta that the polarization between various sectors in the labour market and in the society at large began to crystallize most clearly. Describing the UK developments under Thatcher's version of hyper-liberalism, Jessop (1984) argues that the British society is now more than ever being polarized into two separate nations--the capitalist and managerial classes, and the core workforce, on the one hand, and the underclass, the marginalized, and the general peripheral workforce (which in the USA, according to Reich [1991], comprises about one half of the total population), on the other. By the latest accounts, Alberta seems to be following in the very same direction, with, perhaps, one exemption--namely, that in Alberta the emerging pattern is that of three nations: the capitalist and managerial classes together with the core workforce in the oil , manufacturing, and logging industries; the old foot soldiers (Reich, 1991) and service workers who work for minimum adequate wage (see Goyette, 10 March, 1996) along with the welfare recipients; and 50,000 individuals who have had their welfare pay-cheques cut off without any notice (Gold, 2 Nov., 1995). The latter represents a particularly nasty streak in the Alberta politics nourished by deep-seated conservatism, which, in the person of Mike Cardinal, the Social Services Minister, is expressed in the belief that the "poverty line is too high" and that "cuts in welfare payments would ultimately benefit all Albertans!" (see Crocatte, 7 April, 1995, and Gold, 2 March, 1995).

In Alberta we can thus see Buravoy's (1985) and Bowles, Gordon, and Weisskopf's (1987) analyses being applied in practice: (i) industrial relations are in the process of deregulation (Tanner, 11 Oct., 1995); (ii) Bill 41, which privatizes vital governmental

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[70]Following the election victory of the conservative coalition (Liberal Party and the Country Party) on 2 March, 1996, developments in industrial relations are more than likely to take an even more right-wing (that is, more deregulatory) turn.

[71]Dalton Camp actually ran at one stage for the Presidency of the Federal Progressive Conservative Party in Canada.

functions has been passed; (iii) provision of minimum adequate standards in education has been constitutionalized, with a proviso that education and training above that level will have to be privately purchased; and following the Alberta Tories Convention (8-10 March 1996), the stage has been set for the creation of a two-tier health system (see Arnold, 9 March, 1996, Holubitsky, 10 March 1996) whereby the health-care charter will guarantee minimum adequate provision while permitting those who can afford it to pay for a quicker and better treatment through private hospitals.

But how does this relate to our thesis that the lifeworld of workers is being colonized and subsumed by capital? In our incomplete definition of the lifeworld we claimed that at the level of the whole society it consists, at least in part, of a dialogue between opposing class interests. Under Keynesianism, the tension-ridden interaction between these antagonistic interests was mediated through the state and through the associated Keynesian democratic institutions. The withdrawal of the mediating role of the state and its replacement with the mediating power of money puts those without comparable fiscal resources at a critical disadvantage. That is, the result is not an even-playing field where a fair exchange is obtained by all participants, but rather one which is biased towards the power of money. In such a deregulated social, political, and economic environment, the worker is pitted against a powerful corporation. No real exchange between the two lifeworlds takes place, as verbal messages have been rendered meaningless in the face of the *bottom lines* and the *tyranny of ledgers*. In other words, that "transcendental site where speaker and hearer meet" (Op. cit.) has been banished from the public discourse, and public discourse itself has been made irrelevant to the process of public policy formation.

Yet, to be more precise, for legitimation's sake the appearance of a democratic exchange of views is preserved. This simulacrum of democratic exchanges might take the form of round table discussions and various forums (on the critique of these in Alberta, see Lisac, 1995; on the same in New Zealand, see Grace, 1989, and Codd and Gordon, 1991 in relation to education) or tripartite summits as was the case in Australia under the socialist government of Bob Hawke (see Triado, 1984).

What was common to such sham attempts at portraying a pre-set agenda as a democratic debate was the careful orchestration of the procedures to guarantee that only ideologically "correct" claims were entered into the debate, and then presented as something everyone agreed on. Such pseudo-consensus was also guaranteed, to a large extent, by invitations going only to those social agents who shared the government's (and the international investment community's) point of view, or, to use Habermas' terms, who shared the "common" foreknowledge. And here emerges the first category which constitutes the private lifeworld of social actors.

(ii) Foreknowledge, prelinguistic symbolic organization, and public discourse. But to unravel this private world of social agents, we need to introduce the additional analytical categories of prelinguistic symbolic organization, linguistic symbolic organization, and systematically distorted communication (see Habermas, 1972). Having gained an insight into how opinions become embodied in human agents, we should then be well placed to appreciate the changes in the form and content of public discourse that have occurred under the auspices of the monetarist austerity measures of the 1980s and 1990s, and to understand how this change in the form of public discourse might potentially have disastrous consequences for both capital and labour.

But let us first expand briefly on what we mean by the analytical categories mentioned above. By the *prelinguistic* symbol organization we mean that part of our psyche that controls our interactions on the basic motivational level. It broadly corresponds to the *practical consciousness* in structuration theory (see Giddens, 1984). However, its relationship to the *linguistic* symbol organization (i.e.., to the language) is more complex than the one between practical and discursive consciousness in Giddens' theory. In structuration theory, practical consciousness contains beliefs and motives underpinning

agents' actions, and readily translates into discursive consciousness. In the theory of communicative action, the semantic continuity between prelinguistic and linguistic levels, on the other hand, is not guaranteed. When for some reason there is a consistent pattern in the lack of semantic continuity between these two levels, we can conceptualize such a phenomenon as a *systematically distorted communication.* If, for example, a person born into a privileged social position has been further socialized to be self-centered and contemptuous towards less privileged persons, such foreknowledge accompanies the agent in his/her day-to-day discursive activities. Within the context of our argument, the implications for a dialogue between antagonistic social agents are enormous.

Let us exemplify these implications. Take, for example, *egoism* and *contempt* for the underprivileged classes. These attributes are not yet considered socially virtuous. But the linguistic representation of egoism and contempt towards lower classes might be re-symbolized as one's own *social right* or *merit* and others' *laziness*. The concept of meritocracy thus serves to legitimate the paleosymbolic values which otherwise would not be allowed to enter public discourse. It makes it "all right" to be selfish (albeit, with the sense of selfishness being kept out of the discourse itself). Conversely, the paleosymbol of egoism might directly penetrate into public language, encysting itself, so to speak, under the guise of, say, the claim that the notion of public good is meaningless. This is the current position of most hyper-liberal governments. In Alberta, for example, the Social Services Minister, Mike Cardinal, clearly believes that unemployment is caused by laziness, and he is determined to resolve it by cutting people off welfare (see Gold, 2 Nov., 1995). But this is not only a simple blame-the-victim strategy on the part of the Minister and his Progressive Conservative Caucus; more importantly, it is an attempt at imbuing (at the language level) the subconscious paleosymbol of self-interest with a publicly acceptable image of a society in which it is only natural that those who work hard are rich, and those who are poor are such because they are lazy, lack initiative, and so on. According to that view, it is then socially just to "help" the unemployed by putting them in a situation where they have to "get off their butt" and find work. This line of argument then allows the capitalist class, along with the petty bourgeoisie and the core workers to sit comfortably with extremes of poverty which might loom in all its destitution just round the corner.

In psychoanalytical terms, the former (i.e., presenting self-interest as virtuous) represents an inhibitory distortion of communication (namely, communication between the paleosymbolic and language levels), whereas the later (i.e., blame-the-victim strategy) stands for projection and denial. The systematically distorted communication, therefore, refers to a dissonance between the language and its motivational prelinguistic symbol. This occurs mostly in neurotic and psychotic disorders, but the mechanism itself can offer a useful insight into the language formation in general. The theory of communicative action aims at restoring the semantic unity between paleosymbols and language symbols. When the "paleosymbolic meaning potential is then brought into the open and is thus made available for public communication," a genuine integration is accomplished (Habermas, 1972:127).

The above discussion has direct implications for our understanding of the role performed by the state in mediating the antagonistic discourse between those forces in our society pushing for progressive social action, on the one hand, and those social agents who wish to pursue the hyper-liberal program of fiscal austerity. Specifically, when the mediating role of the state is withdrawn from public discourse (and along with the traditional conservatives we have argued that the state is the only instrument that can guarantee protection against the rapacity of private self-interest), the power of money, which replaces the state as the mediating agent, virtually eliminates any possibility of counteracting the self-interest of the powerful. In the European context, Jacques Delors, for example, mourned the abysmal lack of the trade union opposition to common fiscal, social and ecological policies which were perceived even by the political elite to have led to a downward competition between member states (see Panitch, 1995). Yet the weakening of the trade union movement in the 1980s was inextricably linked with the ascendance of

hyper-liberalism. The institutionalization of corporate and business interests as the sole legitimate voice for the whole society is then clearly contradictory, and, as Wallerstein (1988: 82) points out, "hurts the obvious victim, the oppressed, but hurts as well its immediate beneficiaries, by depriving the latter of their wholeness and their possibility of self-realization."

Our main concern, nevertheless, is with the changes in the labour market and in the workplace. At the same time, we wish to ague that people's working lives are inextricably intertwined with their social lives. In that sense, the social aspirations we as a society might have in the areas of social justice, equality, and fairness must inevitably transfer to the areas of work, too. Furthermore, we concur with Lane (1991) who, drawing on Scitovsky (1977), argues that, firstly, not all criteria of personal satisfaction can be measured in terms of market indicators, and secondly, that it is not the case that working life necessarily represents a sacrifice in order to obtain means for other life satisfactions or pleasures.

To the extent, then, that quality of life refers to satisfaction with life as a whole, and, therefore, extends beyond the market relations in the workplace and in the consumer market, it would be erroneous to understand our social lives in purely economic terms. But at the same time, neither it is the case that work needs to be drudgery.

Clearly, to position a *life of work* on the terrain of market relations is a more complex issue than the utility and self-interest advocates would have us believe. Let us then look a little more closely at the relationship between the lifeworld and the life of work.

(iii) The lifeworld and the world of work. Figure 2 shows a division within our socio-economic and cultural space into two broadly defined areas of *producer* and *consumer* economies. In our earlier analysis we saw that the post-Fordist/post-Keynesian regime has shown a tendency to emphasize market (consumer) economy at the expense of producer economy. By producer economy we mean the sphere of work-related and some social activities where the production of commodities and reproduction of social relations of production take place. It includes general working conditions, rewards and benefits, regulatory bodies and institutions. But as well it includes a more broadly defined quality of working life, such as opportunities for career advancement, further training, and participation in decision-making directly relevant to the production, and, as in the Kalmarian model, in the decisions affecting the whole society. In other words, producer economy is concerned with the issues of productivity and competitiveness, but it also takes into account how an introduction of new technologies and new production systems, such as TQC or JIT, might affect the quality of working life of the workers, balancing one against the other, so to speak, to find an optimum mix of profitability, efficiency, and effectiveness, on the one hand, and a human-friendly working environment, on the other.

To find such an optimum mix between the ability to compete on global markets and the concerns with the quality of working life is by no means an easy task. Lane (1991) identifies the difficulties workers' cooperatives, for example, face in this respect, especially when they are in competition with firms organized along the neo-Taylorist flexibility principles (see also Leborgne and Lipietz, 1992). He found that those workers' co-operatives which were prepared to trade off some degree of efficiency for a more human-friendly working environment learned that it was increasingly more difficult to maintain such quality of working life conditions in the face of fierce competition. Albo (1995) draws to our attention similar problems the Kalmar auto plant in Sweden, or the German model firms have come to face in the wake of *post-Fordisation* of the industrial relations in the rest of the global economy (see Kern and Schumann, 1984a,b). The point being made is that under the hyper-liberal regime of social governance and the post-Fordist relations of production the Kalmarian model cannot succeed precisely because it is concerned with the lifeworld (i.e., with the producer economy). These considerations do incur additional costs. Hyper-liberalism/post-Fordism, on the other hand, have expunged the lifeworld concerns from their agenda. Production costs incurred by a post-Fordist industrial

organization are, therefore, lower. Consequently, firms organized along the latter principles produce cheaper goods.

In fact, we might argue that the strategy of eliminating the lifeworld (or quality of working life) concerns from the process of structural adjustment in the post-Fordist workplace corresponds to what Offe (1975) describes as a *strategy for achieving a competitive advantage*. In other words, downsizing, introduction of new technologies, subcontracting, intensification of labour, and so on, are forced on firms by the competitive pressure, and when one firm adopts these strategies, other firms need to do the same if they are to stay in business.

This, of course, might make sense from the point of view of a firm's profitability. But it does not make sense in macroeconomic terms, because any reduction in the workforce translates immediately into shrinking consumer power. There are thus two major consequences of the type of decision-making which ignores the vital interests of the lifeworld in both public policy and the workplace: on the one hand, it exacerbates the economic crisis (by lowering the aggregate demand) and, on the other, it degrades the quality of the working life for both, those outside the core industries but also for the core workforce (Kern and Schumann, 1984a,b, Campbell, 1989).

Market (or consumer) economy (Hirsch, 1976), then, is entirely driven by the supply side. Yet producer economy and market economy, in fact, occur in the same space, as Figure 2 indicates.

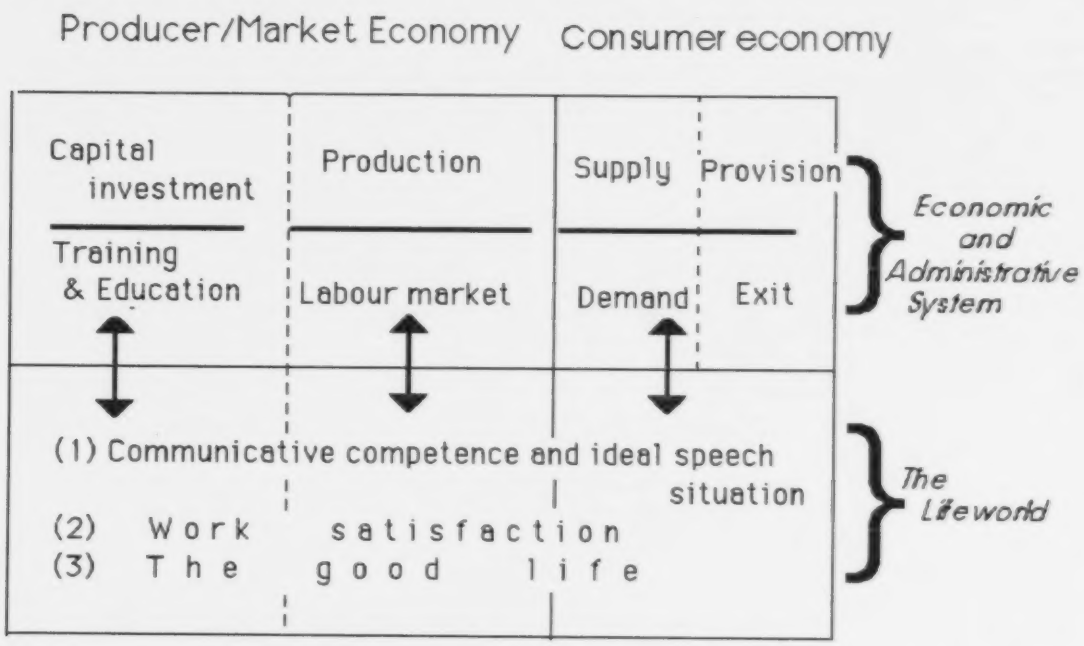

FIGURE 2: The lifeworld and the life of work.

Which type of economy becomes dominant is a complex question. Nevertheless, it would appear that the emergence of either producer or consumer economy is consequential to how the power relations between the fundamental classes are played out in the political arena. In Chapters Two and Three we have shown that the Keynesian demand-management economic policies became dominant because they were economically, politically, and administratively viable. But this was also due to the discreditation of economic liberalism which was perceived as being at least partly responsible for the Great Depression. At the same time, however, the state emerged as a powerful coordinating force during the Second

World War as well as in the period of economic reconstruction following the war. At that particular historical conjunction the state was able to secure the cooperation of the powerful financial interests, at the administrative level represented by the Financial or Treasury Departments.

Furthermore, the rapid expansion of the industrial sector and the provision of essential services such as education, for example, opened up a space for alternative lifeworlds' views. In the UK, for example, working class interests began to *percolate* into the state departments and especially into education as early as the 1920s (Grace, 1985). And it was especially the threat of teachers' political realignment with the socialist Labour Party that forced the political establishment in the pre-WW2 period to acquiesce and grant teachers what Lawn (1981) has called *licensed autonomy*. For teachers such autonomy brought also the sense of personal control over the curriculum, pedagogy, and, ultimately, the sense of defining what constituted good teaching. True, education still worked towards reproducing the social relations of production (Bowles and Gintis, 1976, Cole, 1988), but the lifeworld had established itself through what Fritzell (1987) has called negative correspondence, and even, at times, through critical correspondence between the requirements of the economic system and what the schools were actually doing.

The notion we are trying to develop here is that as soon as the workplace environment becomes receptive to the cultural aspect of people's lives, this culture tends also to impact on work itself, and especially on the way work is organized. Thus, for example, we would argue that, certainly in education, the implementation of licensed autonomy for teachers helped bring about more or less radical developments in the areas of (i) orientation towards an ideal speech situation, (ii) work satisfaction, and (iii) concern with the good life.

Firstly, the rise in the professional standing of educators meant that educational workers such as teachers, educational bureaucrats, or university professors could increasingly influence educational policies. And it was chiefly through this structural empowerment, which gave educational workers a voice, that the *cultural interests of the lifeworld* entered the agendas of public policy making. This is what we mean by a cultural or lifeworld or producer economy penetrating into a market economy.

At the same time we do not wish to give an impression that this ideal-type sense of teacher professionalism began to be widely practiced under Keynesisnism. After all, old habits die hard, as many teachers and other educators were not quite ready[72] to take advantage of an emerging (albeit restricted) professional autonomy (cf. Lawn and Ozga, 1986). Our point, nevertheless, is that this emerging teacher autonomy established necessary structural fundations for bringing a sense of culturally diverse identities into an otherwise culturally highly prescriptive and exclusive educational system (Bourdieu and Passeron, 1977). This is crucially important, for as long as alternative lifeworlds can autonomously voice their concerns in the areas of public policy and industrial organization, there remains the potential for approximating the ideal speech situation:

> [no] matter how the intersubjectivity of mutual understanding may be deformed, the design of an ideal speech situation is necessarily implied with the structure of potential speech; for

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[72]They were not ready in the sense that they themselves were not communicatively competent. As we have seen, an orientation towards *ideal speech situation* requires not only cognitive and linguistic competence, but also a competence in the area of moral, social, and personal development. The latter require that one is able to see beyond the existing structures of command where these might inhibit teachers' and students' orientation towards understanding and self-actualization. Here we would argue that the Keynesian educational settlement did change the social and working relations within the school system in a way that opened the space for approximating the ideal speech situation. Yet, as Giddens (1984) and Marcuse (1973) point out, the old structures with the limits they impose on what is socially possible tend to survive in the memories of human agents. Thus the combination of social conditioning and a relative lack of competence in the crucial areas of moral, social, and egological development prevented many educators from taking a full advantage of these opportunities.

> every speech, even that of intentional deception, is oriented towards the idea of truth. ... [towards] a consensus achieved in unrestrained and universal discourse (Habermas, 1972: 144).

In the above sense, the role played by the state in mediating the conflict between the profit-maximization imperative governing the capitalist economic system and the lifeworld interests is of crucial importance.

Secondly, the sense of work satisfaction is influenced by two factors: it is influenced by the personal narrative constructed by the worker (in our case by the teacher), and by how this narrative fits in with the actual experience in the workplace or in the school. What is important to note in this respect is that teachers' personal narratives might vary according to their personal histories, of course, but also according to objective conditions that define the quality of teacher training, and working conditions in general. But their narratives are also influenced by specific cultural dynamics in the workplace, and by their own experience of schooling as a pupil. Their sense of personal control and satisfaction is then based on the criteria learned primarily experientially and as such it is developed through their individual narratives. The role played by teacher training institutions is very important in this respect, as it is there that teachers might *pick up* analytical tools and interpretive skills which could help them make sense of their future experience in the workplace.

Teachers' understanding of professional autonomy then might vary, depending on how professionalism is defined by the authorities at each particular historical conjunction. The obvious example would be the difference between *licensed* and *regulated* autonomy (Lawn, 1981, Grace, 1985, Lawn and Ozga, 1986). Dale (1982: 146) defines the difference as follows:

> Under "licensed autonomy" the teaching profession was given what amounted to a negative programme by the paymaster--"play anything you like but Russian music and folk songs." Under "regulated autonomy" the requirement is much more positive--"play only modern German music, as far as possible just like Germans do it--and we will be listening to make sure you do.

It is perfectly feasible to imagine that regulated autonomy, with its emphasis on centrally defined curriculum, instruction in educational basics, standardized testing, and, importantly, increased monitoring of teachers' performance, can be constructed especially by new teachers as a highly professional situation--the fact that the focus is on the development of craft skills rather than professional understanding does not seem to be of any import (see Whitty, 1994, Apple, 1988).

Furthermore, professionalism might be redefined in terms of personal work habits such as punctuality, willingness to work harder, neatness of dress, general deportment, and so on. It also can be defined in terms of monetary awards, but also, and perhaps most importantly, in the actual work done by teachers. And as Derber (1982) and Harris (1994) argue, the process of *ideological or technical deskilling* of teachers need not necessarily be accompanied by cuts in their pay. And to the extent that teacher professionalism might be redefined in terms of financial rewards rather than ideological and technical autonomy, teachers might remain content. The question, nevertheless, remains: can a teaching task defined in very narrow technical terms offer a sense of professional accomplishment?

7.6. Summary.

We have argued that the world of work and the lifeworld are inextricably intertwined, and that the quality of the lifeworld is determined for each individual by the measure of approximation towards intellectual autonomy, in our present discussion of teachers' work defined more precisely as intellectual and technical autonomy. We have suggested that in

teachers' work such autonomy is necessary for deriving a sense of satisfaction from tasks performed, and in turn allows each individual to develop a sense of satisfaction with life as a whole, crystallizing, so to speak, in what we might define as the *good life* ; that is, a life unraveling along the axis of an "equilibrated interplay of the cognitive with the moral and the aesthetic-practical" [Op. cit.]). Theoretically, we have located this concept of the world of work within a larger framework of producer economy.

At the same time we have argued that the ascendance of post-Fordist industrial relations has resulted in a switch from concerns with the welfare of workers towards concerns with consumer benefits. We have, however, found that this switch towards a consumer economy inevitably results in a denial of the lifeworld interests in the world of work. This, we have argued, is particularly unacceptable in education. We found this *commercializing* of our schooling unacceptable because educational practice is thus likely to be denied the vital cultural input provided by individual teachers, leaving the educational field open to abuse by a very select group of self-interested (cf., Smith, 1937) and economically privileged lifeworlds.

Following our discussion above, we might then anticipate some significant changes in terms of how teachers construct their individual narratives and how they define teacher professionalism. We will address that concern in our final chapter. Meanwhile, in the next chapter we will look at current changes in the labour market. By analyzing the post-Fordist labour market, we will see more clearly what ramifications might follow from this for the world of work of teachers.

8
THE POST-FORDIST LABOUR MARKET

8.1. How different is the post-Fordist labour market?

The 1989 study of the labour market conducted by the OECD found that today the labour market is far less stable than some twenty or thirty years ago. The study attributes this change not only to rapid shifts in consumer products and consumer tastes as well as technological progress and innovation, but also to globalization of production. The latter exposes domestic production to global competition, thus forcing domestic firms to adopt measures which might even be considered hostile towards the workforce. In short,

> the scale and strength of competition oblige major enterprises exposed to changing world markets constantly to seek ways of raising productivity and cutting costs" (OECD, 1989,b: 12).

Clearly, there is a relationship between the changing objective conditions of capital accumulation and the restructuring of the labour market. In this section we will examine the key changes in the labour market in the industrially developed countries as they occurred during the period of transition to the post-Fordist regime of production. We have identified four major categories of change: (i) one-dimensional strategies; (ii) composition of the labour market; (iii) globalization of the labour market; and (iv) shifting jobs abroad.

(i) One-dimensional strategies. Here belong a whole raft of strategies which are claimed to make individual firms more competitive in the global market. What is common to these strategies is that they directly confront the rigidities of Fordist labour arrangements. As Harvey (1989) points out, post-Fordism is marked by an expanding space in which capital valorization takes place, but also by a shortened time that it takes to realize profits. In short, the rate of technological, commercial, and organizational innovation has been greatly intensified. But this process of rapid change requires a different workforce--a workforce which is functionally flexible. The notion of flexibility constitutes the first one-dimensional strategy.

We have seen this emphasis on functional flexibility in our analysis of the JIT production system. Post-Fordist flexibility, however, extends beyond functional flexibility. It involves also external and internal numerical flexibility. The former refers to a flexible adjustment of the number of employees employed according to actual need, while the latter describes flexibility in working hours in line with actual need. Wage flexibility allows for arbitrary changes to wage packages on the basis of affordable labour costs.

At the same time, as competition forces firms to intensify workers' labour effort, increasing number of workers become redundant and unemployed. Post-Fordism is thus also distinguished by *structural* as opposed to *cyclical* unemployment. Furthermore, the increased rate of innovation requires not only functional flexibility of workers, but also their willingness and ability to continuously upgrade their skills, as old skills become

rapidly obsolete, although, as Campbell (1989) points out, such skills are destined to be perhaps even shorter-lived than the skills replaced.

Flexibility, of course, impacts differently on various segments of the labour market. Yet it is easy to see that post-Fordism requires a different regulation from that offered by the Keynesian regime of industrial relations. A powerful trade union movement would most likely oppose a regime of industrial relations marked by the lack of employment security, intensification of work, flexibility of working conditions, and growing permanent unemployment in the wake of consistent downsizing of the core workforce. And it is in this context that the claim made by Bowles, Gordon, and Weisskopf (1989) and Van der Pijl (1989) clearly begins to make sense--the power of the trade union movement had to be radically curbed, and the power of capital over labour increased proportionately, if the regime of flexible accumulation (i.e., post-Fordism) was to be established. The rolling back of trade union power and the creation of a large pool of surplus labour thus constitutes then the other one-dimensional strategy employed by the global ruling class in their effort to assert the interests of their lifeworld in the sphere of economic exchange (see also Harvey, 1989, Kern and Schumann 1984a,b, Albo, 1995, Rifkin, 1995).

(ii)Restructuring the labour market However, by far the most radical changes have occurred in the composition of the labour market itself. We have already seen that workers' lifeworld interests have been *squeezed out* of the considerations given to the restructuring of the workforce by individual firms. The resulting division in the labour market was then entirely consequential to the relative value various segments of the workforce assigned to the process of capital valorization. That is, the increasing polarization was defined more in terms of how capital saw the importance of those individual segments, rather than in terms of the actual power wielded by the core or peripheral workforce in the process of negotiating work contracts. This signifies a radical departure from the neo-Weberian analysis.

This is not to argue that segmentation and polarization of the labour market did not exist under Fordism. The important point is that the post-Fordist polarization of the workforce has occurred according to a *different logic* from that under Fordism (Harvey, 1989). Under Fordism there were two key determinants of labour market polarization. In the first instance, it took shape according to the socio-economic, racial, gender, and ethnic background of the workers--in the English speaking countries, the white, Anglo-Saxon male had generally enjoyed a privileged position vis-a-vis other workers. Secondly, Fordist polarization of the labour market was also driven by the relative power some workers and their unions (typically white, Anglo, and male) managed to gain because they happened to be working in the core industries such as metal work, chemical industry, or car manufacturing. These highly profitable industries could afford better working conditions (see Kern and Schumann, 1984a,b). There was thus a discrete *pecking order* in the competition for jobs under Fordism.

In some countries dual labour markets under Fordism evolved along different lines. In Japan, for example, there was a distinct segmentation of jobs into key manufacturing workplaces and small subcontracting firms. Large corporations, in fact, used small subcontractors as a buffer to protect them against the fluctuations of the market. As a consequence, the labour market for subcontracting firms has traditionally been much less stable and the working conditions notably much worse than that for the larger corporations.

With post-Fordism, it was this Japanese model of dual labour markets that also became the dominant organizing principle in the core North American and European economies. Large corporations began to downsize their labour force, typically by getting rid of the less stable components in the manufacturing sector, thus shifting the more risky segments of production to their subcontractors. This was in major part the flexibility celebrated by the advocates of post-Fordism (for its critique see Smith, 1987, 1990, 1991, Pollert, 1988, 1991). And as Harvey (1989) points out, it was the purely financial aspect

of production which drove the post-Fordist segmentation of production, as small and medium-sized firms struggled to find a niche in the new global market.

However, as Murray (1987) shows in his analysis of industrial relations in the Emilia-Romagna regional industrial cluster (Third Italy), the old ethnic, racial, and gender divisions in the workforce have only been reinforced by the post-Fordist divisions in the labour market. Murray (Ibid.: 88), in fact, argues that these divisions are essential to the operation of the post-Fordist model, with the craft work done by males, semi-skilled operations by women, and heavy foundry labour by southern Italian and African workers.

Murray's analysis is also confirmed by Harvey's study of the North American labour market. According to Harvey, polarization of the labour market has paralleled the important shifts in the industrial organization. He notes the rise in organized subcontracting of small firms. The rise in importance of small firms resulted in many instances in a revival of older systems of domestic, artisanal, patriarchal, and paternalistic regimes of production. And he notes the emergence of *sweatshops* in parts of New York and Los Angeles. What then is the shape of the post-Fordist labour market?

In our discussion of the post-Fordist restructuring of the labour market we will draw chiefly on the work of Harvey (1989), Reich (1991), and Campbell (1989). Reich offers a more general division which includes all workers. He suggests there are three major categories of jobs that came into being following the demise of Fordism: (i) old foot soldiers, (ii) service jobs, and (iii) symbolic analysts.

The first category involves routine production services such as old manufacturing jobs, but also many jobs involving information-processing, retrieval of information, and so on. Reich describes the desirable characteristics of these workers as reliability, loyalty, and ability to take directions. If these are the traits present-day employers are looking for, then we might expect these attributes to become increasingly salient in the school curriculum. It is interesting to note in this context Carlson's (1989: 96) comment about the routinization of curriculum delivery in the USA schools. He claims that the hidden curriculum is increasingly supplanted by an overt or primary curriculum which is designed to directly impart work-norms and foster attitudinal dispositions of conformity, obedience and docility in students. To illustrate his point, Carlson cites an example of a typical educational package used in the USA schools: "skill-kits may include cassette tape recordings of someone reading directions, students are expected to listen carefully, keep up with the pace, and not get lost". In the same vein, Anyon (1981) in her description of a typical working-class school argues that the curriculum in such schools is mainly about learning rules and following them, and about learning mechanical, routine tasks, with almost no consideration given to creativity, problem-solving, or independence of thought. In his analysis of Australian curriculum reform, Soucek (1994) also argues that the key policy proposals (e.g., Finn, 1991, Mayer 1992a,b) tend to overemphasize simple, work-related tasks, precisely in the manner that corresponds to Reich's description of the ideal-type "foot soldiers". According to Reich, these workers comprised some 25% of the total workforce in the USA in 1990. We would like to note that clearly there will be further significant divisions within this category, and we will return to this point below.

The second category identified by Reich are service jobs, which, again, require only a basic education. Worker characteristics here are similar to those above, but the emphasis is placed on the ability to communicate with clients, including such attributes or skills as being prepared to smile, having a confident look, being courteous, and making others feel happy (Reich, 1991: 175). In 1990, some 30% of the US labour force was employed in this sector. Combined, these two categories constitute about 55% of the total labour force. And it is in this context that we can begin to understand the significance of the increasing emphasis put on "minimum adequate education" (Wadley, 1990, Tooley, 1994) by the post-Fordist education discourse, whereby the majority of children might be granted only a basic education, one that is sufficient to equip them to function in the peripheral labour market in the service and basic manufacture sectors, while the type of education needed for

information and managerial workers would be available at extra cost. In other words, the correspondence theory (Bowles and Gintis, 1976) appears to be put in practice.

Finally, Reich identifies the category of symbolic analysts. The jobs included here are research scientist, computer analysts, design engineers, lawyers, bankers, and executives. Reich describes their key characteristics in terms of teamwork, communication skills, presentation, ability to write drafts and reports, memoranda, layouts, and so on. These workers are able to conceptualize problems, devise their solution, and plan their execution. They require university or graduate school degrees, and typically are occupied by white males. Reich suggests that in 1990, some 20% of workers were employed as symbolic analysts. But he also notes that their numbers, contrary to claims made by the promoters of new technologies, will keep shrinking.

Reich's analysis provides an overall picture of the dynamics shaping the total labour market. Harvey (1989) looks specifically at the industrial labour market. Figure 3 shows the polarization of the post-Fordist industrial labour market:

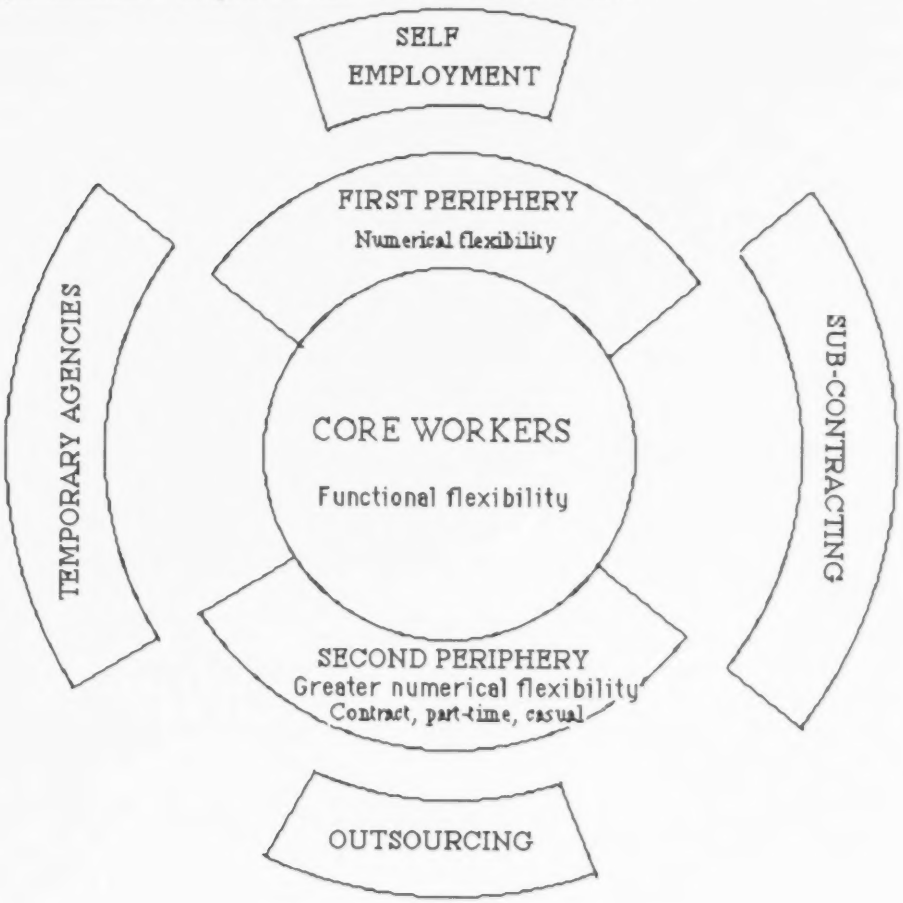

FIGURE 3: The post-Fordist labour market.
(Source: Adapted from Harvey, 1989: 151.)

Concurring with Kern and Schumann (1984a,b) and Campbell (1989), Harvey argues that at the center of industrial enterprises there is a core group of workers who are indispensable for maintaining the constant flow of production. These workers are multiskilled and able to perform multiple integrated tasks according to the immediate demands of production. They enjoy full-time, permanent status, promotion prospects, and

need constant retraining and updating of their skills, as competition and rapid technological change force firms to increase the ratio of constant to variable capital. At the same time, they need to be geographically mobile. These workers represent the prototype of a post-Fordist industrial worker. In Campbell's (1989) analysis, these would be workers skilled in automation work, able to execute planning and programming with CNC machines, for example. But included here also would be complex mental work (perhaps including also some of Reich's symbolic analysts); that is, tasks requiring highly complex mental skills associated with the application of computer technologies. However, as Kern and Schumann observe, the *core* is steadily shrinking. We have already noted that In the UK the core workforce comprises no more than 5% of the workforce. In reality, then, most workers fall into the Periphery 1 and Periphery 2 groups.

Periphery 1 comprises full-time employees with average skills readily available in the labour market. In this groups there are fewer career prospects, and training is generally not available. For this reason there tends to be a high labour turnover. At the same time, because the skills in this group are readily available, the Periphery 1 workers are second in line (after Periphery 2 workers) to be laid off at times of market fluctuation. Included here might be some semi-skilled automation work.

Periphery 2 provides even greater numerical flexibility and is essentially made up of part-timers and casual and contract staff. Many of these workers would be employed by temporary or subcontracting agencies who hire workers on the basis of available subcontracts. There is no security of employment in this category. The bulk of these workers belong to what Reich defines as old foot soldiers and service jobs. This then, in a nutshell, is the reputedly new age, flexible labour market.

All in all, under the conditions of unrestrained global competition the regime of flexible accumulation must inextricably lead towards a general contraction of the labour market, with perhaps some potential growth in the low-skill, Periphery 2 sector, and this regardless of whether it happens by design or unintentionally. The question then arises: What strategies might the regime of flexible accumulation employ to resolve the mismatch between the increasingly competent and even overqualified workforce and the decreasing number of good jobs available? We will address this question below in section (2).

Furthermore, as the correspondence-principle analysts, but also the more blunt advocates of post-Fordist education (e.g., Tooley, 1994. 1995, Wadley, 1990), remind us, the developments in the labour market will have necessary ramifications for the provision of education and training. This appears particularly true today, as all costs, including those for education and training, are considered counterproductive by the individual firms as well as in terms of the nation's ability to compete on the global market (see also OECD, 1989a).

(iii) Global web and shifting jobs abroad. The final distinguishing feature relevant to the post-Fordist labour market we wish to note has to do with the tendency to decentralize production. Useem (1990) argues that during the 1980s the USA corporations have undergone a radical restructuring in the sense of devolving operating authority down to the line organization, making operating units themselves as profit-centred as possible. Useem's analysis highlights the rising importance of finance capital as the new regime's co-ordinating power (cf. Harvey, 1989). The almost neurotic obsession with the bottom-line, profit outcomes resulted in a sharp increase in corporate raidings, asset-stripping, mergers and takeovers. But the other consequence of the rise in prominence of the financial experts, or to use Reich's term, financial problem-solvers, was the radical downsizing of the general staff. These developments created a need for a more systemic networking which would effectively deliver services now required by corporations which divested themselves of those services.

With the international financial integration almost complete by the end of 1980s (Frieden, 1991), it became now much easier for owners of financial assets to take them where ever the profits loomed the largest. And it is here that Reich picks up Useem's notion of networking, and argues that, because US corporations were not able to cope with

cheap imports, they had to move off-shore in search of cheaper labour and lower production costs. To support his arguments, Reich presents figures which show a substantial increase in the US imports from the US firms abroad--whereas in 1969 these were US $1.8 bil., by 1983 these imports climbed to US $22 bil. That this was in the 1980s a global trend is indicated by a rise in capital outflows from the thirteen leading industrialized countries averaging $444 billion in 1989, in contrast to $52 billion in 1970s (Frieden, 1991: 428). In other words, Reich argues that decentralization has been happening on a global scale. The *global enterprise web* thus spans across the whole world, and one of the tasks of symbolic analysts is to identify and broker specific problem-solving services required by large corporations or by the decentralized and independent operational units.

The internationalization of finance and production had resulted also in the relocation of some Fordist industries to the cheaper wage-zones in South-East Asia, Latin America, and Mexico. The relocation of production and services to low-wage countries (Crough, Wheelwright, and Wilshire, 1981, Thrift, 1987) was then clearly profit driven, and represented a *meta-level* in the strategic innovation pushed by global competitiveness (Offe, 1975). At the same time, these off-shore shifts were made possible by the open-door policies of increasingly ambitions comprador bourgeoisie in the new industrialized countries such as Brazil, South Korea, and others (Lipietz, 1982, Berry, 1989). However, as Lipietz (Ibid.) argues, two points need to be emphasized here. Firstly, the jobs were labour-intensive, and in many instances involved atrocious working conditions and affected especially young women whose dexterity was deemed particular desirable for the neo-Taylorist assembly line (see Garcia Angeles, 1993). Secondly, this was chiefly a regime of primitive accumulation which involved "bloody exploitation" in the sense used by Marx when describing working conditions in eighteenth-century Britain (Lipietz, 1982).

Nevertheless, for the "old foot soldiers" in the core Fordist (or post-Fordist) countries these were jobs no longer available to them. Yet, in this context we should also note that to some extent this trend has been reversed. As the de-industrialized and economically depressed regions in the core countries began anxiously looking at ways of attracting the globally mobile capital, some created open-door investment policies styled on the third-world countries, and the neo-Taylorist jobs began to return to parts of the USA and other countries (see, for example, Douglas Winters, 1993). But the inevitable consequence of these developments was a further intense social polarization, or what Lipietz (1992: 35) calls *Brazilianization* of the core countries. In this sense, the radical restructuring of the labour market in the core countries resulted in a "'two-tier society' or an 'hourglass society', with people above and people below, and the center getting squeezed" (Ibid.: 35). At the same time this social polarization has been further facilitated by the hyper-liberal policies of privatization of essential services such as health, recreational provision (e.g., privatization of National Parks in Canada), and education (Ball, 1990, Lauder et al., 1995, Robertson et al., 1995). In other words, the winners--global capitalists and the core workers--have done quite well under the post-Fordist restructure, while the losers--chiefly non-core workers--are sliding towards abject poverty. Under these conditions, the competition for jobs in the core labour market is bound to become fierce. In the next section we will consider the hyper-liberal strategies for *regulating* this increasingly individualized and hostile competition for jobs.

8.2. Hyper-liberalism and scarcity of jobs.

One other way of looking at the transition from Fordism to post-Fordism is to interpret the tension between the two regimes as an interplay between the *material* and

positional economies (see Hirsch, 1976).[73] By the former we mean the production and distribution of physical goods, services and good jobs in a way that utilizes technological innovation in order to extend this provision to ever larger segments of the population. The post-WW2 period of Fordism was in this respect the "golden age phase" in the development of capitalism (DeVroey, 1984, Roper, 1993, Lipietz, 1994). This was the period of intensive accumulation--that is, the technical and social organization of work was profoundly modified, with investment being planned and with rapid increases in productivity. Within the context of the Keynesian regulation, which had practically underwritten the rapid economic expansion through a nation-state-based management of the aggregate demand, the Fordist material economy offered a promise of upward mobility to most, or so many would believe. That this belief was largely illusory was shown by Boudon (1977). Boudon's analysis demonstrates that the expansion of education

> has proved ineffective for reducing economic inequality, and it has probably not been any more successful in diminishing social immobility.... the principle effect of the increase in demand for education appears to be one of requiring the individual to spend more and more time to realize social aspirations which, themselves, have remained unchanged (Ibid.: 196).

Nevertheless, the Keynesian style of governance broadly correlated with social democratic principles, but also with the thinking of cultural liberals (see, for example, Gow, 1989), and for that reason gained a general support of the electorate.

Positional economy, on the other hand, corresponds to an oligarchic distribution of goods, services, and jobs. The term "positional" refers to either (1) scarcity of specific goods or services or (2) congestion or crowding due to increasing demand. Figure 4 shows the difference between the material and positional economies. The arrows indicate the prevalent (albeit illusory, as we argued above) social ethos with reference to upward social mobility under Keynesianism, and the real tendency towards social polarization under hyper-liberalism.

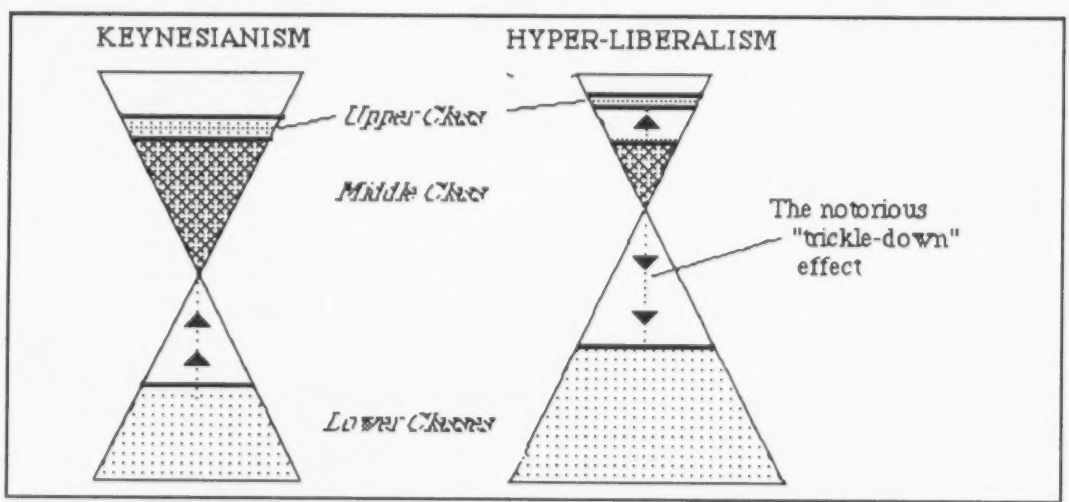

FIGURE 4: An hourglass image of social polarization in a positional economy.

The trickle-down effect is a phenomenon greatly abused by the advocates of the post-Fordist positional economy. With this in view, we believe to be justified in showing the

[73]To speak of a tension between the past and the present might sound confusing. In our analysis, however, there is no complete rupture between the past and the present. Post-Fordism does carry within itself residual structures of Fordism. And there are also collective and individual memories of the material (Fordist) economy against which the new, positional economy is being pitted.

relevance of the trickle-down effect in a different context; namely, our point is that the combined effect of new technologies, post-Fordist relations of production, and the hyper-liberal regime of austerity in the area of public spending has resulted in a trickling away of permanent, core jobs, and in their replacement by Periphery 1 and 2 jobs, with a follow-up consequence of further social polarization. Curiously enough, this has been happening at a time when our technologies of production could easily provide a comfortable living for most, at least in the core economies. Concurring with Marcuse (1973), we would argue, therefore, that our version of the trickle-down effect describes a *surplus repression* institutionalized through the post-Fordist positional economy.

At the same time, Figure 4 shows some upward social shift due largely to the rise in prominence of narrowly specialized symbolic analysts, especially in the area of international finance such as money and futures markets, but also in other services provided for commercial capital (Thrift, 1987) and multinational organizations (Chorafas, 1992) in areas of transnational auditing, real estate investment, insurance and securities.

This repositioning of segments of the middle class upward and downward can be explained in terms of Carchedi's (1975, 1977, 1987) thesis, where he argues that the status and privileges segmented into specific professions tend to correspond to their function and proximity to pure global capital. Reich's (1991) symbolic analysts and Thrift's (1987) providers of commercial services, we would argue, fall into that category. By the same token, other professions such as public school teachers or registered nurses working in the public sphere might find themselves in a situation where their services are perceived as not directly linked to valorization of capital. In fact, in the case of education and health providers, they might even be considered a hindrance to profit maximization, as the costs associated with public provision in general are perceived by the capitalist class as a net drain on their profits.

Our argument then is that the combined effect of post-Fordism and hyper-liberalism leads to intense social polarization, described by Lipietz (1992) as *Brazilianization* of the core economies, as middle-level jobs disappear and most job growth occurs in the low-skill and low-income labour market.

Our chief concern here is mainly with the dramatic impact these changes have on the increasingly fierce competition in the labour market, and especially for those jobs perceived as positional goods. Within the present context, positional goods refer to qualifications required for obtaining high-status, high-pay jobs. However, what also needs to be noted is that when an aggregate demand within the economic system as a whole is not managed, the consumer demand shows a tendency to shrink. This tendency in conjunction with the liberalization of financial markets (van der Pijl, 1984, Frieden, 1991, Hinkson, 1986), in turn, results in a structurally induced disinvestment in manufacturing and in an increase in speculative investments such as capital markets or real estate. From the labour market point of view, as the former represents labour--intensive industries and the latter has only a very low labour volume, the net result (without even taking into account the impact of technological innovation) is that fewer workers are employed as valorization of capital takes place increasingly in the sphere of circulation rather than in the sphere of productive investment (in 1982, the share was 58.2% and 22.9% respectively; van der Pijl, 1984: 280).

But let us return to the competition for positional goods. The conventional wisdom, as represented by Public Choice Theory (see, for example, Tooley, 1994), has it that somehow there is a level-playing field on which consumers make more or less informed choices, and that in the final analysis it is the innate ability of children which allocates the sought-after positional goods. Drawing on Lauder et al. (1995) we argued earlier that even when information about making career-related educational choices is available, actual career decisions tend to be overdetermined by socio-economic factors such as affordability of housing in areas where the good schools are, availability of transportation, and other externalities such as school fees or costs of school uniforms.

That SES background plays an important part in making educational choices and in actually being able to carry through those choices was also demonstrated by Sewell and Shah (1977). Their research showed precisely that not intelligence but the SES of parents determined which schools students chose and whether they were able to graduate. Sewell and Shah's point is different from the one made by cultural reproduction theorists (Bourdieu and Passeron, 1977, Bernstein, 1975, 1977). The latter would argue that with the inevitable introduction of selection criteria for entry into increasingly congested schools that are perceived to perform well, lower SES students would be culturally disadvantaged, as any such selection would most likely privilege the middle-class *universalistic* code (Bernstein, 1977) or the *habitus* of the structurally and culturally privileged classes (Bourdieu and Passeron, 1977).

There are thus some real problems with the public choice theorists' promotion of free markets in education, and this regardless whether by educational markets we mean open-auction type markets[74] (modeled on the Public School system in the UK or the private school system in countries such as Canada, the USA, Australia or New Zealand) or internal markets where educational vouchers presumably enable the less well-off to gain entry to more prestigious schools (Tooley, 1994).

Given the objections raise above, it might be of some interest to educators, and students and their parents alike, to try to make some sense out of this manifest contradiction between the drive to marketize education in order to make educational opportunities more socially equitable (Tooley, 1994, OECD, 1989a), when the objective of increased social justice is clearly contradictory to the market conditions. Furthermore, we must take into account the shrinking labour market opportunities in the area of high status, high income jobs. We propose to argue, therefore, that the strategy of marketization of positional goods such as education has a different purpose--the perlocutionary (or undisclosed) effect of marketization of education is twofold: (1) to resolve crowding and congestion in the area of positional goods, and (2) to ensure that undue expectations associated with higher educational credentials do not arise simply by cutting off access to those credentials to the majority of students.

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[74]By open-auction markets we mean a situation where a restricted number of entries into positional educational institutions is allocated to the highest bidder. Hirsch (1976) also mentions a Dutch auction system, where the prices start high and are steadily reduced to the point at which the market clears.

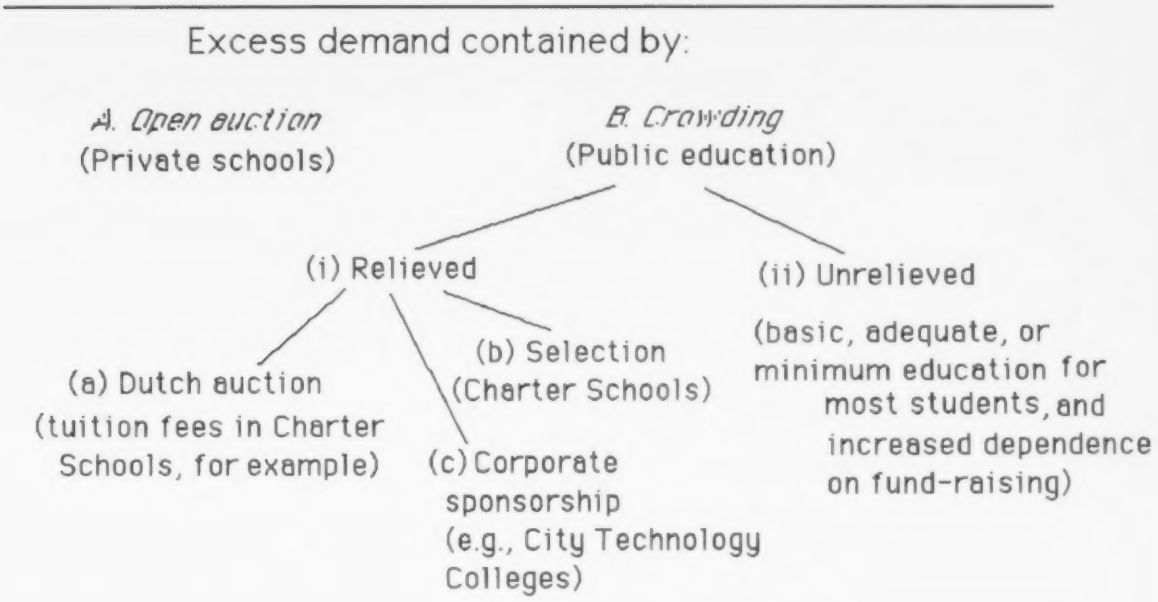

FIGURE 5: Allocation of positional goods in a positional economy.

Figure 5 shows the different strategies for allocating positional goods. The differentiation in resourcing and the selection of entrants thus unambiguously indicate that we are in a process of developing educational packages targeted at specific groups of clients, with the key determinant being the ability to pay and the possession of cultural capital (Bourdieu and Passeron, 1977). But let us look more closely at the respective categories as outlined in Figure 5.

Firstly, during the 1980s and 1990s there has been an increasing governmental support for private education. In the UK, the 1992 White Paper, *Choice and Diversity*, specifically aimed to increase the number of schools outside local government control and to allow them to test for admission (Taylor-Gooby, 1994). The Assisted Places Scheme offered bursaries to some 35,000 children mostly from middle-class background (Papadakis and Taylor-Gooby, 1987: 96). Ball (1990) further argues that private sector schooling in the UK has received considerable direct and indirect financial support from the state. What is important to note is that this increase in the funding of private education comes as a part of a broader strategy of differentiation of schooling opportunities for the UK students. As Fitz et al. (1986) point out, high ability students from state schools are creamed off in order to develop their talents, while concurrently there is the leveling-down effect in most schools.

At the same time, private schools are held up as a model for the rest of the education system. In this sense, the ideology of private education carries the capitalist social relations into the provision of public education as well. In the UK, this has resulted in the creation of a multi-tier system of Grant-Maintained Schools, Magnet Schools, City Technology Colleges, but also the general comprehensive schools some of which might be labeled the "sink schools" (Ball, 1990).

In Australia, a notable shift towards private education had occurred in the period between 1977, when 21% of students attended private schools, and 1990, when the total number of privately educated children rose to 28%. This shift was chiefly due to the changes in the funding to private schools. Marginson (1993) shows that under the conservative government during the Fraser years (1975-1983) recurrent grants to private schools rose by 87%, while grants to public schools fell by 24% (Ibid.: 210-211). In

1983, the majority of commonwealth recurrent funding was allocated to the private sector, even though it enrolled less than one-quarter of the nation's students. A similar trend continued under the Hawke Labor administration, with a further contraction in spending on public education, while private school funding continued to expand (Ibid.).

In Australia, these developments had three major outcomes: further substitution of public funding for private contributions, private schooling has been made more accessible to some who could not previously afford it (cf., the concept of Dutch auction), and a majority of commonwealth recurrent funding is now allocated to the private sector. These changes have inevitably contributed to the destabilization of the public education system, and most certainly encouraged a relatively large section of the school population (7%) to switch to private education. The other consequence is that the public system has been increasingly perceived as a "residual system inhabited only by families unable or unwilling to enter private schooling" (Marginson, 1995: 214).

Secondly, the competition for positional jobs may further be relieved in two ways: (1) the job could be made less attractive by bringing gradually the financial rewards down to the level of collective workers, and/or by worsening the conditions of work; and (2) the requirements for entry to them might be made more difficult.

(1) The former corresponds to Braverman's (1974) thesis of work degradation, deskilling, and proletarianization. This approach to job allocation and labour control, nevertheless, requires that functionally the work under consideration may not be crucial to the process of capital valorization.

If we take teaching as an example, we have seen that it was precisely the perceived significance of schooling as an agent of ideological instruction that helped advance teachers' claim on professionalism in the 1920s in England. Today, that function has not vanished. What has, however, changed are the ways in which that function can be carried out in a more cost-effective manner. Specifically, the market relations themselves are now used to allocate both students and teachers to their respective places in the educational market. As for the students, they are chiefly selected on the basis of their capacity to pay and/or on the basis of cultural capital. As for the teachers' allocation to various hierarchies in the market, we might need to argue that different tiers in the teachers' labour market require different credentials. In both the UK and Australia there has already emerged a differentiated teachers' labour market (see Ball, 1990, Ashenden, 1989).

The categories of licensed and articled teachers (Hextel et al., 1991, Regan, 1990) in the UK and Advanced Skills Teachers in Australia would seem to carry a distinct potential for creating a two-tiered profession, with university graduates being able to compete for more prestigious jobs in the private sector and those public education schools which have managed to develop a high profile and thus able to attract a larger number of enrollments and, therefore, a larger share of funding. Ball (1990) argues that such schools are already able to offer better working conditions and thus attract better qualified teachers. The less qualified teachers would accordingly be allocated to the residual public system catering to the bulk of students slated for minimum adequate education.

The residual public system then represents what Hirsch (1976) identifies as *unrelieved congestion* in the provision of schooling. Here, by necessity, the quality of service is diluted to the "adequate minimum" (Tooley, 1994, see also Wadley, 1989). And as Ranson (1984) and Hargreaves and Reynolds (1989) argue, the major concern in this type of education is to ensure that students adjust their labour market aspirations to jobs in Periphery 1 and 2 or even to individual failure, and teachers adjust their attitude to a "system which in practice denies those principles of comprehensiveness to which many of them have become committed" (Hargreaves and Reynolds, 1989: 20). In this respect, the mechanism designed to disempower teachers in a way that would deny them the opportunity to engage in critical questioning of an increasingly inequitable schooling provision--that is, a critique based on autonomous judgments and underpinned by a more complex understanding of educational issues--can be found in the restructuring of teacher education. The alternative routes of entry to the teaching profession and the relocation of

teacher training from universities to schools must be seen as an attempt to curtail teachers' critical capacity (Lawn, 1991, Smith, 1992). In a similar vein, but in the Australian context, Seddon (1991) comments on the restructuring of teacher education in the following way:

> The preferred professional is to be skilled in psychology and teaching studies, but, it seems, with no study of the social and historical context and limited opportunity for free inquiry or contact with other educational workers (Seddon, 1991: 11).

(2) Making requirements for entry to positional jobs more difficult involves the escalation of educational credentials. But as Boudon (1977) showed, the expansion of educational opportunities did not result in opening access to those jobs to lower SES students. During Fordism, jobs kept being allocated to students on the basis of their parents' SES. In addition, any increase in credentialism involves a waste of resources, as for most students "it takes all the running they can do, to keep in the same place."[75] According to OECD (1989a), unjustified growth in credentials markets is counterproductive to the efficient allocation of resources. This is why the advocates of positional economy argue that claims on education need to be screened out at the school level (cf., Offe, 1984).

Within the context of educational markets, in addition to an imposition of tuition fees, such screening is carried out through testing for admission (Taylor-Gooby, 1994: 120). This is considered by the architects of educational markets to be an unintended outcome. Nevertheless, under the conditions of shrinking public funding for education, with most public education teachers greatly overworked, under constant pressure to perform, and largely disillusioned in the face of declining community support, the claims made by free marketers--that democratic schooling has failed those who depend on it most and can best be rectified through educational markets, such as a voucher system (see Tooley, 1994)--might eventually and unfortunatelly encyst themselves in the public conscience.

8.3. Summary.

In a most general sense, our aim in this chapter was to extend our theoretical analysis in the previous chapter to the practical consequences of what appears a radical break with Fordist industrial practices. We have argued that this break can be understood as a switch (in economic and social policies) from a producer to a consumer economy.

In a related sense, our other task was to link the earlier claim (that the increasing penetration of market relations into the provision of essential public services represents a significant attempt at colonizing the lifeworld by the economic-administrative system) with the actual developments in the post-Fordist labour market. The first question we have asked was about the difference between the Fordist and post-Fordist labour markets. Here we wanted to show how the restructuring of the post-Fordist labour market tends to promote the subsumption of workers' lifeworlds by global capital. In the second part of this chapter, drawing on Hirsch's concepts of material (producer) and positional (consumer) economies, our aim was to identify the strategies employed by the advocates of positional economy in their attempt to manage the growing claims on educational credentials, perceived to promise access to positional goods such as high-status, high-pay jobs.

We have concluded the chapter by arguing that the resulting marketized educational system must, contrary to claims made by its advocates, lead to an even more inequitable provision of education than was the case under the previous Keynesian settlement. We have further hypothesized that marketization of schooling is chiefly about a functional

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[75]The quote is from Lewis Carrol, *Through the Looking Glass* (quoted in Panitch, 1994: 60).

realignment of schooling outcomes with an increasingly stratified post-Fordist society and its historically specific division of labour.

In the next chapter, we will try to identify what type of workers might be considered *ideal* for the post-Fordist workplace.

9
THE NEW WORKER

9.1. Training for some?

Central to the new type of work organization is the concept of the core production worker (Campbell, 1989; Mathews, 1989). In opposition to the old production regime based on de-skilling and fragmentation of tasks, the emphasis is now on the integration of tasks and re-skilling. This might involve, in addition to the mechanical operational function, other tasks such as monitoring and maintenance--hence the notion of multi-skilling. The new worker needs to demonstrate a capacity to plan and execute his/her own work, and further might need to acquire additional skills in the area of computer programming and control. These additional skills may involve electrical, electronic, and other techniques. In other words, the previously segmented tasks are now drawn together into a single integrated and multi-skilled task. The changing industrial context thus requires that a special emphasis be placed on flexible skill formation and technological literacy (Mathews, Hall, and Smith, 1988). The foundations for these skills will need to be established through a new system of flexible and broadly-based education and training. In short, the new worker will work smarter rather than harder (Carmichael, 1990; Ashenden, 1990).

Mathews (1989) argues that a crucial aspect of the new industrial relations is a recognition by both workers and management that, in order to maximize productivity, operations need to be as flexible as possible. For this to happen a system of worker autonomy and informed decision-making needs to be established. If, as Harvey (1989) argues, the flexible regime is characterized most of all by greatly intensified rates of commercial, technological, and organizational innovation, this unique blend of worker autonomy and computer technology which now aids decision-making may be defined as *skill dependent innovation* (Mathews, 1989).

The image of the future worker conjured up by the proponents of the post-Fordist paradigm is clearly an attractive one. Especially the presumed emphasis given to workplace autonomy, increased employee participation, democratization of industrial processes, and the unity of conception and execution appear to promise a great deal to the worker of the future. However, drawing on our previous discussion of the labour market segmentation and the political-economic framework of the emerging settlement between labour and capital, we can see at least three problematic areas in the post-Fordist industrial paradigm. These are: (1) the new production concepts involve a very small number of workers, (2) there is a lack of evidence of a clear break with Fordism, and (3) the real impact of the new production concepts on working conditions is by no means clear.

(1) Firstly, we have already argued that the new production concepts are chiefly confined to the core industrial sectors, and even there the new production methods involve only the core workforce. We have argued that in the UK, for example, the new production concepts involve only 5% in the core car industry, with 90% semi- or unskilled, and 50% having no training whatsoever. nd neither could we find any significant evidence of multi-skilling. Curtain (1987: 34) similarly argues that in Australia there is very little evidence of

up-skilling through internal labour markets. The claim of multi-skilling and up-skilling is thus not a dominant pattern in either in the UK or Australia. And even though the new production concepts are to some degree relevant to the German industrial workplace (see also Mahnkopf, 1991), their situation is clearly not transferable internationally.

(2) The causal link between post-Fordism and the new production concepts is, therefore, extremely problematic. Furthermore, as we argued above, post-Fordism is based on the integration of multiple production systems, most of which are directly dependent on the intensification of labour effort and on further fragmentation of labour tasks (Pollert, 1991, Hyman, 1991, Smith, 1991). Kern & Schumann (1987: 156), on the other hand, maintain that the "trend of capitalist rationalization is changing: the rationalization logic remains the same but fundamentally new forms are emerging." They describe the new industrial possibilities as a "spectrum" of change which is fundamentally irreversible. Yet even by their own reckoning, in technologically advanced Germany the number of workers affected by the new production concepts is very small (see Campbell, 1989: 258; Kern & Schumann, 1987: 165). The point is that even though some changes in re-skilling are evident, only a very small number of workers are affected by it. It is, therefore, entirely unjustified to claim that a new production system utilizing workers' intelligence is coming into existence. That is, it is unjustified in the sense of it being flaunted as a proof of increased democratization of the workplace. As we have seen earlier, any practical utilization of workers' intelligence takes mainly the form of real subsumption of labour by capitalist interests. We have seen this especially in our analysis of the JIT production regime in Japan, but also in other industrially developed countries which have adopted the JIT system.

Furthermore, we suggest that what is needed is a detailed interrogation of the actual changes in the working conditions of post-Fordist workers. How are the new worker's skills different from the old assembly-line skills, for example? As argued above, the available evidence suggests that only a small number of workers have so far benefited from the "increased" demand for re-skilling. Furthermore, in a kind of contradictory way, Kern & Schumann (Ibid.: 165-6) identify, apart from the winners, three further tiers of the workforce: tolerators, losers, and long-term unemployed (see also Harvey, 1989: 151; Campbell, 1989: 265, Reich, 1991, Aronowitz and DiFazio, 1994). Tolerators are the marginalized workers from the core industries, or, in Reich's (1991: 175) terms, the "old foot soldiers". Their function is to support the core workers. They are, nevertheless, protected to some extent from becoming redundant. The losers are the workers from the marginal industries and those industries most affected by the recession. Their ability to stay employed is typically linked to the firm's survival, and thus they tend to "willingly" accept the worsening of their working conditions. Included here are workers in the service industry, who are often employed on a casual or part-time basis and have no opportunity for re-skilling or permanency of employment. Finally, there are the risk-breakers or the long-term unemployed. Their chances of benefiting from the post-Fordist settlement are very slim.

(3) Finally, we would like to discuss the changes in the working conditions of those workers who are the supposed winners in the post-Fordist restructuring. What we propose is to describe an ideal-type of a modern worker. For the sake of grouping the key descriptive categories, we will collapse together the production concepts of JIT and TQC.

Coriot (1984), describing a modern Renault production line at Choisy le Roi, identifies three key concepts that differentiate the modern production line from the Fordist one. Firstly, the principle of continuous flow of production is maintained, but the assembly line is now segmented into distinct operational spaces. Each operational space is supplied with its own component parts and tools. Secondly, the division of one man/one job has been replaced with a small group of workers who are responsible for the total assembly. Finally, even though each group operates within its own work-space, its work rhythm is still determined by a central conveyor belt. The continuous flow of production is thus maintained. The central feature of this regrouping of jobs is the principle of job enlargement

or integration of tasks. A small team of workers is now responsible for a more complex assembly. These changes allow for both mass-production of standardized products and a more flexible production mode which is more responsive to the market demand. But it also increases the productivity of labour. The chief gains are achieved by the elimination of losses associated with the assembly line, reduction of rest periods, reduction of movements, and shorter handling cycles. Quality control is now performed by workers themselves. Because their reward is tied to the quality of their work, considerable savings have been achieved by elimination of rectification, but also by the elimination of supervisory and maintenance personnel.

9.2. New economy of time and control.

Coriot (Ibid.) argues that the new assembly line represents a new economy of time and control. Its essential features are the intensification of labour effort, reduction of set-up time, use of small general-purpose machinery, arranging manufacturing equipment in a special way (i.e., product-oriented, not function-oriented), production takes place according to a real demand (as opposed to an anticipated demand, which was the organizational principle of the just-in-case system), a sort of pull-system (Skorstad, 1991: 1078) whereby buffer stocks and throughput time are reduced, and errors eliminated by making their source visible. The *visibility* of workers has become the chief method of efficiency control. Because it exposes those jobs which do not need one worker's undivided attention, unutilized or underutilized time can thus be converted to a productive time. The visualization principle thus directly results in the intensification of labour (Coriot, 1984). The removal of buffer stocks and the visualization of performed tasks have exposed the workers to constant irregularities in the production process, such as machine jamming, a sudden shortages of component parts, or overloading of the stations. Describing the Toyota JIT system, Dohse, Jurgens, and Malsch (1985) argue that workers are never allowed to settle into a comfortable pattern. Instead, the pattern becomes one of continually perfecting the production process, as the managers remove still more buffer stock and speed up the production line. Typically, manpower is provided at only 97% of the line rate, with the other 3% being made up by "extra" effort (Ibid.: 130). At the Toyota plant, a system of warning lights is used to indicate the flow of the production line: the yellow light indicates the station is overloaded, the red light indicates a breakdown. The management can thus fine-tune the speed of production line above what would be considered a regular rate, but slightly below the critical point at which a breakdown might occur. Overall intensification of work is thus one of the chief distinguishing features of the JIT system.

The *visualization function* is used to intensify work effort and to identify unutilized time. A greater utilization of work time in a typical corporate enterprise (as opposed to the secondary production system consisting of subcontracting firms, where the working conditions and award rates are incommensurably worse) is further achieved because of less paid vacation time and extremely low absenteeism. In fact, Japanese workers often fail to take their vacations, or use their vacation time in lieu of sick leave (Ibid.: 120). This requires a totally dedicated workforce, and what is emphasized in terms of work-relevant competence is behavioral attitude rather than manufacturing technique or innovative processes (Ibid.). As Dohse, Jurgens, and Malsch (1985) point out, however, this seeming identification of workers with their firm is a complex phenomenon which is perhaps rooted in the specificity of the Japanese cultural.

Yet the crucial factor appears to be the unique mode of regulation of labour versus capital conflict. This conflict is almost entirely diffused because the trade union movement is controlled by the management (Ibid.) and the union function is completely integrated into the production function. The workforce is atomized and the individual workers have nowhere to go with their complaints. The lack of a collective voice in Japan has resulted in

a complete subsumption of workers' working and private lives by corporate interests. The important point is, especially in the context of the current restructuring of industrial relations in countries such as Canada, Australia, and other core countries, that there is a direct relationship between weaker unions or a non-unionized workforce, on the one hand, and the tendency to worsen working conditions (Ibid.; Pollert, 1988; Amin, 1991; Sayer, 1986; Kern & Schumann, 1984b), on the other.

The absence or the loss of a collective voice has a tendency to set one worker against the other. Under the principle of *team work*, where the entire team is responsible for the performance of each individual worker, along with the constant pressure of the production line, and the indeterminate system of award (the wage rate is awarded arbitrarily and seemingly bears no relationship to the work performed [see Dohse, Jurgens, and Malsch, 1985]), the group dynamic achieved provides a unique solution to the classical problem of the resistance of the workers to placing their knowledge of production in the service of the management (Ibid.; cf., Braverman, 1974). Their cooperation is thus not an expression of free choice but rather an expression of a complete subsumption of the workers by the production system.

In view of the above discussion, the argument that the new production concepts tend to enhance the *autonomy* of work groups becomes clearly problematic, because the rhythm of work is determined by the speed of the production line (which is controlled by the management), and the worker becomes integrated into the "functional logic of a mechanical system which he [sic] has neither devised nor completely comprehended....his position is qualitatively different from that of craftsman in that he must endure a much greater degree of managerial control over the performance of the work" (Campbell, 1989: 255). In this sense, the resulting "autonomy" consists in the freedom to organize the distribution of jobs within the small group of workers, and can be seen, at best, as a *controlled autonomy*. Furthermore, it becomes a self-discipline which has nothing to do with shifting the balance in the technical control of production in favour of the workers, but everything to do with securing the continuity of managerial control.

The concept of multi-skilling is also closely associated with JIT and TQC (Total Quality Control). We have seen that Braverman (1974) identified the increased fragmentation of work as one of the strategies of asserting managerial control over workers. Piore & Sabel (1984) argue that the new production system reverses this tendency and instead brings about the re-unification of the conception and execution of work. To them, multi-skilling provides the evidence that workers are regaining control over the production process. They further argue that multi-skilling and work autonomy are necessary elements in the modern production system because they enable the firm to respond to diversified market tastes.

Yet as Smith (1987) shows, there is no necessary direct link between product variation and the need for more complex skills. There is a need for functional flexibility and task integration, but not necessarily for higher-order complex skills. In his study of Cadbury's restructuring, Smith (1987) argues that the clear consequence for the workers was the loss of the remaining areas of craft control. Dohse, Jurgens, and Malsch (1985) also maintain that there is no significant evidence to suggest that up-skilling or systematic re-skilling of workers is occurring. What the post-Fordist workplace requires is adequate skills to allow for deployment of workers according to the emergency situations on the production line. They observed, however, that there was some transfer of indirect production activities to workers, but without increasing the time allocated to the now significantly enlarged tasks. The firm thus gained net savings as a consequence of reduced personnel. For example, a production worker was now responsible for mechanical operations, quality control, and maintenance (Campbell, 1989; Coriot, 1984). For the worker, who was now operating multiple equipment under multi-process-worker concept, the work effort was greatly increased. Sayer (1986: 52) similarly argues that in most instances re-skilling is confined to training workers to be able to switch between jobs in order to help fellow workers who might be overloaded.

In their earlier work, *Industrial Work and Worker Consciousness* (1985), which first appeared in 1970, Kern and Schumann identified the danger which progressive automation could pose in terms of further segmentation of the labour market. The tendency was, they argued, for a large body of unskilled workers to mind a machine system while a small number of highly skilled workers executed the complex work of centralized direction. In *The End of the Division of Labour* (1984a, see also 1984b, and 1987) they review their previous stand and argue strongly that the new production concepts provide opportunities for workers to assert their autonomy in the workplace. But for that to happen, the trade union movement must get involved in the implementation of organizational changes, including the programme of re-skilling (cf., Badham & Mathews, 1989; Carmichael, 1990). Their warning is clear: either the trade unions assert their right to co-determine the micro-restructuring of their workplaces, or the management might seek to restrict skill formation to clustering of skills within small teams. And this could result in no significant up-skilling for the industrial workers as such skills would be plant-specific and non-transferable, and, therefore, would not lead to the empowerment of workers. It could also result in the broadening of jobs and in work intensification.

9.3. State-sponsored or private training?

What is at stake here is the general direction which training, education and worker participation might take. We have seen in an earlier chapter that Leborgne and Lipietz (1992) defined this problematic in terms of a bifurcation between neo-Taylorist flexibility and the Kalmarian participative model. It might be tempting to vilify hyper-liberalism (with its emphasis on direct socialization, and private, market-driven provision of education and training, arguing, at the same time, that the progressive competitive model is preferable because it puts the state at the center of the provision of training and education, thus retaining these functions within the public arena and treating them as public rather than positional goods. The evidence from most Anglo-American countries, in fact, supports this interpretation. However, there are two issues involved here and they should be kept separate.

The first issue focuses on the training done in the workplace, with costs carried by the firm and the trainees, while the second focuses on the training and education provided by the state at public expense. With respect to the former, the evidence indicates that the private sector is not quite willing to underwrite the provision of education and training, and this contrary to the hyper-liberal claim that the market is the best provider of skills and training since it is directly linked up with the needs of the private sector. It would seem then that there is some discrepancy between the free-market rhetoric and the willingness of corporate capital to *put their money where their mouth is.*

Literature in this area overwhelmingly points to the fact that training done by private firms is invariably firm-specific, non-transferable, and sparse. Typically, it consists of *training by doing* (Campbell, 1989: 266-7; Sayer, 1986: 53; Jackson, 1992; Mahnkopf, 1992: 68). Furthermore, Sayer (1986: 66), for example, argues that the emphasis is almost exclusively on the development of loyalties to the firm (cf., Dohse, Jurgens, and Malsch, 1985), and on behavioral skills and attitudinal disposition. In addition, additional skills are increasingly secured through subcontracting and outsourcing. And Mahnkopf (1992: 64) finds that firms tend to see training as an overhead cost, not as an investment in the firm's future.

The research in the area clearly indicates that, when legal forms of regulation are removed, firms tend to disregard their social responsibility for further training. And nowhere has this become more obvious than in the UK under Margaret Thatcher. The British example of devolving the responsibility for initial and further vocational training to the private sector has been shown to be a failure (Mahnkopf, 1992: 64). Even its original

advocate, the OECD (see 1989a,b), has most recently distanced itself from the British version of the market model of training and education, as the following excerpt from *The Time Educational Supplement* indicates:

> At the heart of the OECD's critique of the effects of [the UK] Conservative government policies over the last 16 years is an analysis of the attack on public service thought to be over-dominated by the interests of producers, by opening them up to market forces. Not only were the principles necessary for the operation of an effective market not demonstrated as fully applicable--or suited--to education or training, but they could be dangerous when combined with financial measures.
>
> Increasing financial pressure on agents within underfunded quasi-markets can encourage opportunistic behaviour to the detriment of professional commitment and quality standards (*Times Educational Supplement,* 11 August, 1995, p. 11).

The second issue has to do with the state's involvement in the provision of training and education. In Leborgne and Lipietz's (1992) scheme it corresponds with the Kalmarian model, in which a provision of education and training is negotiated at the level of the whole society. In this model, workers are socialized indirectly through state sponsored institutions. The neo-Taylorist model, on the other hand, socializes workers directly through the work itself. Furthermore, as the Kalmarian model takes into account also the social content and distribution of production, Kalmarian policies provide an additional protection for the workers in the form of social insurance and state sponsored regulatory institutions such as industrial tribunals, or other forms of nation-wide collective bargaining mechanisms. In this latter sense, at least, the Kalmarian model is consistent with the key underpinnings of the Keynesian Welfare State, especially its unequivocal emphasis on maintaining full employment. What sets it apart from Keynesianism, however, is the change in emphasis from a Keynesian-type of class compromise towards a search for a commonality of destiny of firms and their workforce (Leborgne and Lipietz,1992). That is, under Keynesianism, social democratic parties accepted capital's prerogative to manage the capitalist enterprise in exchange for improved benefits and rewards in line with increases in productivity. Under Kalmarism, the notion of compromise is replaced with negotiations underpinned by commonality of interest.

But for such commonality of interest to occur, the structural arrangements, which favour the market and de-regulation,[76] need to be reworked in a way that would discourage a pursuit of private interests through speculative rather than productive investment (Hinkson, 1986). At the same time what needs to happen is that the policy of training and education must be supplemented by a policy of creation of socially desirable jobs at the macro-level and a redistribution of existing jobs (Lipietz, 1992, Mahnkopf, 1992, Albo, 1994, Aronowitz and DiFazio, 1994). However, as Albo (1994) points out, Scandinavian countries such as Sweden were not able to secure an equitable redistribution of wealth precisely because capitalist competition forced many of its own multinational corporations to move off-shore in order to remain competitive. The developments in Sweden clearly indicate that in a globalized economy the Kalmarian model cannot survive unless it is implemented simultaneously in most if not all industrially developed countries.

In the Anglo-American countries the Australian Vocational Certificate (AVC) (ESFC, 1992; see also Soucek, 1994) perhaps comes closest to the Scandinavian model. This is hardly surprising, as the AVC was developed by the Australian Trade Union Council (ACTU) Commission set up specifically to look at the Scandinavian and German models of industrial relations and training. What sets AVC apart form the previous education and training system in Australia is that it recognizes the need for multiple points of entry and

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[76]On the issue of deregulation we concur with Burchell (1994) and Cerny (1994) who argue that "hyper-liberal deregulation" should be understood as a distinct kind of governance based on new types of regulation. In this sense, the neo-liberal rhetoric promoting the so-called deregulation is grossly misleading.

credit transfers. It is flexible. This is, nevertheless, a different flexibility from that promoted by the neo-Taylorist model in the UK or the USA. Yet the problem with the Australian approach is that by itself it does not address the problem of structural unemployment; that is, unemployment caused by multiple structural phenomena such as diversion of investment into capital markets and other speculative forms of investment (van der Pijl, 1984, Hinkson, 1986), relocation of some production to low-wage countries, and a rise in the organic composition of capital induced by heightened capitalist competition--all in all, phenomena bearing a witness to the contradictions inherent in capitalist competition and in the role played by the revolutionizing forces of production. And, finally, as with the Swedish Kalmarian model, the Australian state has no capacity to control global investment in order to create socially desirable jobs in Australia.

The need for an increased flexibility within the education and training system is well recognized in Canada and the UK as well. The Economic Council of Canada (ECC) (1992) argues that the present state of vocational training in Canada is simply inadequate to carry Canada into the 21st century. This is basically for two reasons: it lacks credibility as an alternative to the academic stream, and it lacks the support of employers. What is missing is a system of transferable accreditation, and some sort of mechanism that would make it responsive to the labour market needs. The ECC, however, does not spell out a more detailed proposal as to the specific institutional form such a flexible and responsive system should take. Given that Canadian-based employers lack any commitment to vocational training (ECC, 1992: 41, see also Jackson, 1992), short of putting in place a comprehensive training system funded by the Federal government, it is unlikely that the lack of coherence between education and training, on the one hand, and the labour market and economic performance (ECC, 1992: 40), on the other, will be resolved in the near future. And this especially as the present Federal Liberal Government in Canada clearly follows the path of hyper-liberal austerity in terms of committing public funds to any public programmes.

If the current austerity measures are allowed to continue, the prospect for post-Fordist workers in Canada are not bright, as they miss out on both accounts. Firstly, because the education and training system is being starved of funds through hyper-liberal policies at the provincial level (e.g., Alberta, Ontario, or Manitoba), but also through the introduction of bulk funding for the provinces,[77] the state-sponsored education and training institutions are in no position to promote skill development required by the new highly competitive global market. And as Jackson (1992) shows, Canadian employers, like their counterparts in the UK, the USA, and Australia, are unlikely to step in and develop structures for further training because, as Mahnkopf (1992) argues, capitalists do not have an inherent sense of social responsibility. Even Adam Smith knew this, and this is precisely why he argued for what he called a *visible hand of the state* .

The Canadian economy is thus poised to be relegated to a secondary position on the global industrial landscape. This is already reflected in the labour market which is increasingly dominated by short-term and low-skill employment opportunities (Beauchesne, 19 Jan., 1996: A12, Morris, 8 May, 1995: A5, see also Rifkin, 1995, Reich, 1991, Aronowitz and DiFazio, 1994)[78]. Secondly, having basically adopted the neo-

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[77]The cummulative cuts in Alberta are not easy to estimate. In 1993/4 they were -4.8% (Canada West Foundation, August, 1994). In 1994/5 they were 7.2%, and in 1995/6, according to government figures they were 5.6% (The Edmonton Journal, 22 Feb., 1995: A4). In Ontario the across the board cuts in public spending were $6 bil. for the 1995/6 budget.

[78]In 1991, the rate of participation in the workforce in Canada was 0.2% lower than in 1984, one in ten Canadians were out of work, and the federal government spent in 1988 0.26% of GDP less (or 1.05% less in terms of general expediture) on training and job creation than in 1984 (McBride and Shields, 1993: 74). At the same time, in Alberta between 1991 and 1993, 18,000 full-time jobs were lost, and presumably replaced with 23,000 part-time or casual jobs (*Historical Labour Force Statistics, 1993*, # 71-201, p. 160).

Taylorist model of industrial relations and training, the federal and provincial governments in Canada have virtually abdicated their responsibility for intervention in the conflict between private employers and the workforce, thus effectively putting in place a system of direct socialization of workers. It would thus appear that in the immediate future markets alone will determine the life-chances of Canadian workers. We can consequently describe the industrial relations and training situation in Canada in terms of "market despotism" (Burawoy, 1984).

Whereas in Canada both major political parties appear to have embraced the ideology of hyper-liberalism, in the UK the situation is more complex. The Conservative agenda was to put in place a system that is cheap to run and emphasizes competition and selection (Taylor-Gooby, 1994). This is a system designed to satisfy the needs of a highly differentiated labour market, but at the same time it fails to address the demand for equality of educational and training opportunities in an increasingly unequal society. In most general terms, the Conservative Party clearly pursues the hyper-liberal strategy. The Labour Party and the Liberal Democrats, on the other hand, both tend to argue for a progressive-competitive strategy associated with benign post-Fordism. Because the UK educational scene is in many ways an indicator of things to come in other Anglo-American countries such as Canada, Australia, or New Zealand, in Chapter 10 we will discuss in some detail the impact of the post-Fordist changes on schools and teachers in the UK.

9.4. More about flexibility

The evidence from the industrial workplace suggests that only very little re-training is occurring, and the little that actually happens is primarily concerned with functional flexibility along the lines discussed in the context of the Toyota JIT system. Job enlargement and task integration, however, do have an impact on external and internal numerical flexibility. As a consequence of industrial restructuring many workers lost their jobs and many more are still uncertain about their chances of retaining or getting one. The concept of multi-skilling is thus closely associated with the general notion of flexibility--i.e., the ability of the firm to conduct its business in an environment of permanent uncertainty.

Included here is also wage flexibility. This, according to Rimmer and Zappala (1988), is designed to establish a nexus between the product and labour markets. But as Burawoy (1985) observes, the threat of plant closure and capital going off-shore often results not so much in realigning product and labour markets as rather in lowering the wage rate. Harbridge and Rea (1992) corroborate this point by providing evidence of a clear tendency towards downward wage flexibility in New Zealand. The notions of multiskilling and flexibility are thus not only quite problematic, but, we would suggest, also need to be located within a broader spectrum of the industrial restructuring. They need to be understood as integral to the overall strategy which is attempting to abolish a collective worker (Palloix, 1976), and thus shift the balance of power in favour of the capitalist class.

Growing unemployment, intensification of work, and diminishing benefits are not likely to be willingly embraced by workers. The promise of up-skilling, increased work autonomy, and increased democratization (see Badham & Mathews, 1989; Piore & Sabel, 1984) and worker participation are presented as a trade-off for the loss of some of the benefits won earlier under the Keynesian settlement. We have argued above that neither a broader provision of enterprise-based training and re-skilling[79] nor the promise of

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[79]NB. We do not want to give an impression that more training opportunities might in some way resolve the present global economic crisis. Skills-formation or training is important to individual workers because it enhances their chances of retaining or securing a job. However, considered in the global context, the impact of training on job creation is only minimal if any at all. The evidence in the core industrial

increased worker autonomy have so far been fulfilled. We would further suggest that from the hyper-liberal perspective, both would be contradictory to the overall goal of securing more power and control over the industrial process (cf., Bowles, Gordon, and Weisskopf, 1989). The former, in so far as such re-skilling could not be immediately put to use, would be considered "wasteful" because the costs could not be recovered through profitable deployment, especially given that the bulk of industrial workers requires only basic and often no training at all (see Pollert, 1991), whereas the latter would be counterproductive because autonomous workers would pose a threat to capital's claim on the surplus value. By this we mean that a separation of conception from execution of work tasks tends to conceal the existence of surplus value, and that, conversely, a reunification of conception and execution would make the extraction of surplus value more transparent.

If our analysis is at least partially correct, we expect that the claim of employee involvement in the technical relations in production might also lack in substance. Marchington (1992) does provide some evidence that in recent years there has been an increase in the number of enterprises providing some form of consultation in Australia. The majority of these, however, have taken the form of direct personal communication. Upward problem-solving techniques and representative participation scored rather less well (Ibid.: 475). At the same time, the overall pattern of growth remained "tempered" due to many schemes being discontinued. Marchington, however, does not provide any evidence of the impact these consultations have had on actual relations in production or on working conditions in general.

Commenting on the UK industrial scene, MacInnes (1985) concludes that there is no statistical evidence of any changes in employee participation: "It appears that the 'renaissance' of consultation is an illusory phenomenon" (Ibid.: 93). He makes one other point relevant to the present discussion. Commenting on the attitude of shop-floor stewards, he states that the general perception was the management used stewards to resolve tensions between workers and management typically on management's behalf: "they are simply to accord consent to hierarchy as it stands" (Ibid.: 109), and further argues that "in its pure form it potentially legitimates any rule change that originates with management...Stewards view this as an invitation to exercise responsibility without power" (Ibid.).

Dohse, Jurgens, and Malsch (1985) also assert that participation through quality circles was designed to enhance not worker control but managerial control. In fact, in the Japanese industrial context, consultation and participation do occur, but in a controlled environment in which the topics, goals and forms of articulation are limited to company interests. Management uses this strategy to resolve the problem of worker resistance, and to utilize knowledge of employees for purposes of further rationalization (Ibid.: 142).

Sayer (1986) corroborates the above claim, arguing that management tends to view the development of *behavioral* [80]skills as investment. The process of consultation, albeit perfunctory, is viewed as a way of ensuring a low turn-over of the workforce (Ibid.: 52). At the same time, however, this style of management does have oppressive consequences for the workers because participation in quality circles and suggestion schemes is often compulsory and workers must, for example, forego holidays or work overtime without pay (Ibid.: 69).

Post-Fordist flexibility is thus a double-edged weapon--on the one hand, it promises worker autonomy, democratic participation and training, on the other, it tends to deliver those promises in packages whose contents do not correspond to the attached labels.

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countries, in fact, suggests that the combination of re-skilling and work intensification tends to reduce the number of jobs available. In other words, within a nation-state, the consequence of increased training is that a better qualified person gets the job, and the less qualified one does not. The job, however, has not been created by the trained person. Even if every single person in the country had top qualifications, we would suggest that the unemployment situation would not dramatically alter.

[80]All enterprised-based training is overly concerned with behavioural rather than technical skills.

Worker autonomy has thus become a willingness to work harder, democratic participation means to think of new ways of intensifying labour effort, and training has come to mean to learn less about more.

So far we have discussed in this chapter the tenuous relationship between the post-Fordist rhetoric celebrating the coming of the new production concepts and between the reality of the post-Fordist industrial workplace. In the next section we will furnish an overall picture of an ideal-type post-Fordist worker.

9.5. The Competency Profile of a Post-Fordist Core Worker

In the view of the preceding discussion we can begin to piece together an ideal-type competency profile of a post-Fordist worker. We have identified six basic categories of competencies:

(1) *Team work* orientation
- ability to coordinate a sequence of simple fragmented tasks within a team

(2) Integration of work autonomy with increased *control* and *monitoring*

(3) Basic *generic skills*
- expending portfolio of basic competencies
- able to perform multiple routine tasks in rapid sequence
- production-line problem-solving orientation

(4) Capacity to interpret *coercion* as consultation

(5) *Behavioral disposition*
- accepting authority without questioning goals or purposes
- willingness to demonstrate own usefulness through diligence, docility and flexibility;
- prepared to accept intensification of work
- tends to develop a company oriented identity at the expense of collegial solidarity

(6) *Attitudinal disposition*
- "correct" attitude to work
- ability to identify with the firm's goal or vision statement

(1) *Teamwork orientation:* Because the modern industrial firm's productivity derives from a teamwork dynamic, this may be considered as a strategic dimension of innovation (cf. Offe, 1975). To remain competitive, all firms must eventually adopt the teamwork approach. Coopting the "collective spirit," or as some call it, *synergy*, is clearly beneficial to the firm's productivity. As our previous discussion showed, however, the phenomenon of collectivism is, within the context of a post-Fordist workplace, largely a misnomer. The idea of team-work might be more aptly described in terms of individual antagonism among workers who are in competition with each other, rather than in terms of genuine collegial cooperation.

This notion of "teamwork" is promoted by a constant pressure on workers to perform at 100% capacity. In addition, absence of a clear description of what is expected of the workers, job insecurity, anxiety related to constant production innovation which does not allow workers to settle into a comfortable pattern, and linking up rewards with "dobbing in" fellow workers who might not perform at peak capacity further increase the tension within the team.

Visualization of workers and the pressure to identify with the firm's goals contribute to the intensification of work, but they also tend to erode any potential solidarity among

workers or colleagues. This said, we would like to make clear that our objection is not against the concept of teamwork as such, but rather to the specific way the post-Fordist work organization uses this concept in order to further colonize the lifeworld of individual workers. The notions of teamwork and collegial solidarity might, in fact, be used to create a more people-friendly work environment. However, it would seem that capitalist competition tends to promote anti-collegial rather than collegial behaviour and attitudes.

(2) *Integration of work autonomy with increased control and monitoring.* This is a contradiction. A person cannot act autonomously and be subjected to a strict central control and monitoring at the same time. Either one does have control over one's own work environment or one does not! The challenge for post-Fordist management then is to make the worker believe he/she is performing the work task autonomously, even though every step the person takes is *visible* and monitored by the supervising agency. The post-Fordist worker will, therefore, have to develop a certain "schizophrenia" to be able to integrate in his/her mind the contradictory concepts of increased autonomy and heightened control.

(3) *Basic generic skills.* The promotion of transferable generic skills is likely to result in the devaluation of the concepts of knowledge and understanding. For example, the OECD policy document, *Education and the Economy in a Changing Society* (1989a:32), clearly views the higher-order thinking skills as less important and encourages a basic generic training in the area of routine tasks and mechanical ability rather than enhanced understanding. Instead of developing a trade-based knowledge which would enhance the worker's control over the working environment, he/she is now encouraged to develop a portfolio of basic generic skills that can be flexibly deployed within the internal labour market and between firms, according to labour market fluctuations. Under such conditions, the worker has no opportunity to assert any control over his/her work environment.

Furthermore, in an extremely competitive labour market the post-Fordist worker will have to demonstrate his/her willingness to constantly apply his/her intelligence and knowledge of the job for the purpose of further rationalization of production, even though this might result in the worker's own redundancy.

(4) *Capacity to interpret coercion as consultation.* Since the tendency in the post-Fordist workplace is to replace collective solidarity among workers with an individualized relationship between each worker and the management, it is likely that the idea of employee participation will increasingly take the form of personal communication between individual employees and management. Each individual worker will then be left in a very vulnerable position, which will readily diffuse any chance for critical input into the organizational matters. Yet the worker will still need to live with the contradiction that he/she is listened to, even though his/her voice might be a *mute* voice. Conversely, the management might "consult" the workers about structural changes, but the net effect of such consultations might be that they simply inform workers about what is going to happen anyway (cf. MacInnes, 1985). Once again, the need to internalize such contradictions will force the worker to become "schizophrenic".

(5) *Behavioral disposition.* Here the emphasis is on normative orientation. However, the social and moral norms are derived from the imperatives of the structural principle of productivity and the right of capital to appropriate the surplus value, rather than from an autonomous personal engagement of the worker with these issues. Personal histories, social issues, or moral concerns are, in fact, anathema to the imperative of the structural principle of productivity. The post-Fordist worker will need to internalize the organizational goals and purposes and suppress his/her own personal concerns. Ideally, the company's goals should become each worker's own goals. The norms governing the interaction between various hierarchical levels will, therefore, be more clearly derived from the context

of the firm's purpose, not from the context of the worker's lifeworld. The lifeworld of workers will be further colonized by the economic system.

Workers will also need to demonstrate their own usefulness through diligence, docility, and flexibility.

They will have to be prepared to accept intensification of work and changes in working conditions. Ostensibly because these are beyond the firm's control.

They will be also encouraged to identify more closely with the firm at the expense of the solidarity amongst collective workers.

(6) *Attitudinal disposition.* Ego is systematically fragmented and commodified. Preferred characteristics include: self-interest and self-reliance, and the capacity to adjust personal aspirations to the firm's goals. Desirable attitudes include: a positive regard for work, respect for authority, optimistic conformism, dispositional adjustment, and a mixture of a collectivist identity which is able to accept uncritically management-defined priorities. Moral orientation is defined largely in terms of social-contractual legalism. Ethical motivation is replaced with purposive rationality. The desirable characteristics of the post-Fordist worker include: instrumentalised language skills, effective cognitive functioning, political neutrality, and the capacity for attitudinal adjustment.

9.6. Summary.

What we have tried to achieve in this chapter is to bring together various facets of the changes in the industrial relations, work practices, and the function of training following the ascendance of the post-Fordist regime of accumulation. We have argued that there are important discrepancies between the post-Fordist rhetoric and the reality of the post-Fordist workplace. The specific problem areas we have identified are those of training (who gets trained, who provides the training, and who pays for it), and the role of flexibility in making industrial firms more competitive, and how these might impact on the quality of working life.

We have argued that training available to workers through their place of employment is sparse and highly selective. We have also pointed to evidence that suggests that new industrial concepts function more to control workers than to empower them. We have further found that, as hyper-liberal governments gradually give up their responsibility for the provision of training and as private employers are reluctant to pick up the slack, the opportunities for training and re-training are rapidly disappearing.

In all, the post-Fordist labour market seems to show a distinct disregard for the lifeworld interests of the workers and unemployed alike, as its chief emissaries march victoriously through the banking centers of the world, waving banners on which *dangling signifiers*[81] promise jobs and prosperity which are said to be just around the corner. But, meanwhile, in the post-Fordist world of work workers are taking home smaller pay-packets as a reward for working harder and faster, and, increasingly, many have no pay-packets at all. While Gordon Thiessen, the head of the Bank of Canada, admits, smiling, that the cut of 35% in the banking staff represents a "necessary change that will result in a more vigorous Canadian economy, with stronger employment creation…" and that, reluctantly, the bank had to make the cuts for the bankers to make a *deserving* profit of $1.8 billion over the 1995/6 financial year (see Beauchesne, 21 March, 1996), no contradiction appears to disturb his smile. Thiessen, in fact, epitomizes what Habermas (1972) describes as a systematically distorted communication. But, characteristically, no explanation of how Tiessen proposes to create those jobs is forthcoming.

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[81]These signifiers are "dangling" in the sense that they are detached from their signifieds; that is, we argue that they are but empty rhetoric.

In this respect, we would argue that a strategy for job-recovery cannot emerge until the question of capitalist competition and the associated issue of technological innovation are dealt with at the level of the whole society. But that would require some radical changes in the way economic and social policies are produced. In other words, it would require that the lifeworld interests of all, not only of the so-called financial stakeholders in the global economy, are encouraged to enter into the process of policy formation at the level of the nation-state as well as at the global macro level. But, at the same time, as Young (1990) argues, such reconstruction of a global dialogue has implications for the general role of education in the individual national states. What we mean is that people have different capacities to engage in a socially constructive argument. And here we are referring not only to differentiation in knowledge but, perhaps chiefly, to differentiation in power and status between potential participants in what we might call a global Kalmarian discourse. In such a project, education indeed might yet become a helpful ally. But here lies the crux of the problem--the global educational enterprise has already been largely transformed to fit structurally and functionally in with the post-Fordist regime of accumulation. Thus if educators wish to take part in the reconstruction of a global dialogue, by helping future generations become communicatively more competent than our present generation, they must act fast, as the residual memories of Keynesian collective solidarity, still carried in minds of some teachers, are swiftly fading into oblivion.

With this in mind, the next chapter takes a closer look at the hyper-liberal changes in the provision of education in the UK.

10
TRAINING AND EDUCATION

10.1. Training and education in the UK and the implications for hyper-liberal/post-Fordist regimes elsewhere.

Whereas in Canada both major political parties appear to have embraced the ideology of hyper-liberalism, in the UK the situation is more complex. The Conservative agenda was to put in place a system that is cheap to run and emphasizes competition and selection (Taylor-Gooby, 1994). This is a system designed to satisfy the needs of a highly differentiated labour market, and for this reason it fails to address the demand for equality of educational and training opportunities in an increasingly unequal society (see Jessop, 1984). In most general terms, the Conservative Party pursues the hyper-liberal strategy. The Labour Party and the Liberal Democrats, on the other hand, both tend to follow the progressive-competitive strategy associated with the *benign* version of post-Fordism, espoused, as we have already indicated, by the works of Piore and Sabel (1984) and Mathews (1989a,b), but also by *Marxism Today* and by the Communist Party of Great Britain (Rustin, 1989). And it is not entirely without interest to us to note here that the Australian Labor Party similarly pursued the benign post-Fordist strategy in their social and economic policy until they lost office in March, 1996. As a further aside, this might also suggest that the socialist parties, regardless of their apparent betrayal of the working class interests, still seem connected, however feebly, with the lifeworlds of the workers. In this sense, as Barlow and Campbell (1995) rightly point out, the Canadian Liberal party has really never established such close connections with the working class in Canada. Canadian Liberals have always been and still are liberal capitalists.

In the UK, then, the political party system represents a bifurcation between hyper-liberalism and progressive competitiveness in a way not dissimilar to the Australian political scene, except that in Australia the Labor Party has been in power for the last 13 years. In Australia, the benign version of post-Fordism, therefore, had the opportunity to impact directly on education and training. And it would be correct to argue that, to some extent, education in Australia has been less affected by radical hyper-liberalism than is the case in the UK. For this reason we would like to expand a little more on the differences between the hyper-liberal and the progressive competitive models of post-Fordism, especially as they affect schools and teachers.

In the UK, there are clearly demarcated disagreements between the three major political parties. These disagreements can be thematized in five areas: linking education and economy, equity of opportunity and outcomes, the question of funding education and training, the issue of empowering the consumer, and the role educational professionals should play in the process of linking education to the labour market and in helping the UK economy to become more competitive. We will briefly examine these issues below and then conclude by highlighting the contradictions inherent in both strategies.

The Conservative government in the UK has adopted a contradictory strategy of unification and division. The unification goal is being pursued through a National Curriculum and standardized testing, and is reflected in the traditional conservative

principle of separating the school curriculum into the academic and vocational streams. The Conservative policy in the UK then aims at maintaining the existing social divisions, while, at the same time, it hopes to achieve some sort of functional correspondence between schooling outcomes and the labour market.

(1) National Curriculum, differentiation among schools, and educational opportunity.

Both Labour and Liberal Democrats argue for more flexibility in terms of credit transfer (perhaps, along the lines suggested by the Australian Vocational Certificate) between academic and vocational streams, with Liberal Democrats hoping to eliminate the distinction altogether. Yet there is a general agreement that the economic crisis in the UK has been at least to some extent caused by the past failure of the schooling system (Ranson, 1984, Robins and Webster, 1989, Ball, 1990). The emphasis on vocationalism, especially in the 16+ curriculum, thus figures strongly in all three parties' educational rhetoric (Reynolds and Hargreaves, 1989, Ball, 1990).

At first glance, it would appear that the drive towards differentiation between schools might be contradictory vis-a-vis the overarching goal of a unified national curriculum. For as Ball (1990) points out, conceptually it is hard to reconcile the co-existence of the National Curriculum, nation-wide standardized testing, and differential provision of educational opportunities. Within the context of Conservative thinking, however, there is no such contradiction because the 1992 General Certificate of Secondary Education (GCSE) provides for a variety of examinations corresponding to the vocational and academic streams. That is, all students sit for the minimum standards examinations, but only the academic stream sit for a higher level of achievement examinations. The Conservative educational policy, therefore, aims at encouraging selection and competition. In this context, if we take into account the claims made by the social and/or cultural reproduction theorists (Bernstein, 1975, Bourdieu and Passeron, 1977, Bowles and Gintis, 1976), the differentiation of schooling provision also ensures that social relations of production are more or less faithfully reproduced.

The other apparent contradiction that emerges has to do with the presumed goal of developing higher-level skills. We have seen that post-Fordist rhetoric places a great emphasis on improving education and training. This is linked to improving economic competitiveness. But we have also seen that labour market research indicates that only a small proportion of workers with high-level or high-tech qualifications can be productively employed in the post-Fordist economy (Reich, 1991, Rifkin, 1995, Harvey, 1989, Lipietz, 1992). And as Ranson (1984) and Carnoy (1985) point out, over-educated and unemployed or underemployed workers might pose a greater threat to the hyper-liberal/post-Fordist regime of accumulation than workers educated only at the basics level (see also Wadley, 1990). We would, therefore, argue that within the context of hyper-liberal post-Fordism, the strategy of competition and selection makes sense. It is, of course, grossly inequitable in that it tends to over-determine students' life-chances on the basis of their SES. But the purpose behind the Conservative strategy is to match individual outcomes and ambitions (albeit structurally determined) with the *shrinking* labour market.

Labour and Liberal Democrats, on the other hand, do emphasize the equity of educational opportunity and outcomes, and argue that the opportunities for education and training must be offered to all able young people and adults (Labour Party, 1992: 7). Yet both oppositional parties leave many questions unanswered. For example, they fail to acknowledge that, without specific social policies directed towards creating jobs, improved education and training by themselves will not create the jobs. Neither do their policies address the problem of matching educational and training outcomes with labour market needs. In fact, the benign post-Fordist ideology is underpinned by some sort of mythical belief that the crisis of Fordism in the UK was caused by low productivity, which, in turn, was caused by low-level skills of the British workers (Robins and Webster, 1989). The fact that it was the Fordist regime of accumulation itself that was in a crisis is ignored by

the post-Fordist modernizers. We would, therefore, argue that the post-Fordist trust in improved industrial training is informed by a flawed diagnosis of what went wrong in the British economy in the post-WW2 period. The belief that, if only the workforce were better trained, productivity would improve and the economic crisis would be resolved, presumably through increased exports, is unjustified. The major problem with this sort of argument is that, if all countries hope to resolve their economic crises through rising exports, who, in the final instance, might be capable of absorbing the resulting surpluses (Lipietz, 1992)?

The other related problem is that of increased credentialism (see Carnoy, 1985). If education does expand, and new jobs are not made available, all that is achieved is a devaluation of current credentials. Tsang and Levin (1985) and Karabel and Halsey (1977) show there is no necessary relationship between overeducation and increased productivity, and that, in fact, this can be counterproductive. And, of course, as the proponents of differentiated, quasi-market education quite rightly argue (see Tooley, 1994), educational expansion under Keynesianism was not able to resolve the existing social and economic inequity either. It is thus unlikely that the Labour's or Liberal Democrats' strategy might even begin to address the problem of underemployment and unemployment. But this is not to argue that the hyper-liberal approach should be the only option available to the policy-makers. On the contrary, we wish to argue that the problematic of educational opportunity and social equity needs to be addressed at a society-wide level in the direction the Kalmarian model suggests (Leborgne and Lipietz, 1992). The problem with Labour and Liberal Democrats in the UK is that they still insist on leaving both the provision of education and distribution of wealth solely to the vagaries of the market.

(2) Fast schools, structural and functional autonomy, and positive and negative correspondence.

What is at the heart of the Conservative restructuring of education in the UK is a two-pronged strategy of structural realignment of education with the capitalist enterprise, on the one hand, and the exclusion of critical or not directly functional educational outcomes, on the other. The former has been theorized by Fritzell (1987) as a problematic of structural autonomy. Within the context of hyper-liberal, post-Fordist education, schools are turned into quasi-capitalist enterprises. They are charged with a delivery of specific educational outcomes at a specified cost. The currently debated bulk funding proposal in New Zealand, and Grant-Maintained schools in the UK exemplify the latter, while the national curriculum in the UK, Australia, and new Zealand exemplify the former. Within such constraints, the schools are granted autonomy to marshal available resources to produce those outcomes. Their performance is assessed through standardized testing of their students.

Ball (1990) further shows that integral to the quasi-market educational structures is a rewards system which ties schools' performance to the school's popularity and, consequently, to the school's ability to draw financial resources guaranteed through enrollment levels or corporate or other forms of sponsorship. A well-to-do school clearly enjoys a higher income, and teachers' financial rewards are thus seen in a direct proportion to their performance.

That this line of argument is fundamentally flawed has been showed by Ball (1990), Lauder et al. (1995), and Robertson and Dale (1996), and we have discussed the issue in the preceding chapter. The point we would like to emphasize here is that schools as productive units at the local level, in fact, carry the new social relations of "fast capitalism" (Robertson, 1995). The combination of structural constraints with the seeming autonomy of schools and teachers to produce the pre-specified outcomes, the so-called producer control over the quality of the product, does inevitably conjure up the industrial image of Total Quality Circle (TQC). That is, like industrial production firms, schools have become self-managing units charged with the production of marketable skills, while given enough flexibility to respond to: (1) the changing anxieties of parents who are increasingly worried

about their children's job prospects; and (2) the differentiated capacity of parents to pay for various *training* packages available on the educational quasi-market.

The principle of selection of students on the basis of their academic competence also plays and important role. In this respect, the SES division is further re-confirmed. And, most importantly, like the industrial workers, the educational workers are given enough *technical autonomy* to deal with the immediate "production flows problems." Yet, at the same time, their work is more closely monitored at the point of final scores which indicate teachers' performance and which are also used to correlate that performance with their financial rewards. These are precisely the same principles that guide the TQC and JIT production systems.

Derber's (1982) distinction between *ideological*[82] and *technical* autonomy might be helpful here. By the former we mean a loss of control over the ends and uses of one's work, whereas by the latter we mean a loss of control over knowledge and technical job decisions. Derber argues that, over the last decade, ideological proletarianization, which was not necessarily accompanied by technical deskilling, tended to result in a kind of *ideological accommodation* or reconciliation by professionals, such as teachers, to their new position, reflecting compensations in status, security, and so on, received in exchange for the control they have relinquished (see also Harris, 1979, 1994). We might note that in the UK this process of relinquishing control over one's own work began in the 1980s (Grace, 1985). Yet as Hextall et al. (1991), Reynolds and Hargreaves (1989), and Lawn (1991) indicate, the process of redefining teacher competence in terms of both structural and functional correspondence with the larger economic system and with the labour market in particular is now well under way. Furthermore, Reynolds and Hargreaves (1989) describe an emerging correspondence between the market-determined performance expectations of differentiated schools and the socially constructed competence of teachers who might be suitable to work in such schools. They describe this correspondence as *structural isomorphism*:

> ...the structural isomorphism between pedagogies for the less able and in-service training for their teachers is, we believe not merely coincidental. Experiential, actively based pedagogies are, in effect, being deployed in such a way as to secure the dispositional adjustment of pupils and teachers to a centrally controlled system embodying increased educational differentiation. They are pedagogies which repress reflection and depress dissent (Hargreaves and Reynolds, 1989: 24).

Commenting on the way the educational authorities have responded to the current crisis in teacher supply in the UK, Hextall et al. (1991) note that the introduction of *licensed* and *articled* teachers is causing a further fragmentation and stratification of the teaching force. In terms of the entrance requirements, licensed teachers must be over 26 years old and have two years of higher education. The completion of their training as teachers is school-based. An articled teacher training programme lasts two years and is 80% school based. Both schemes have clear implications for the stratification of the teaching force and for the professional status of teachers in general.

At the same time, the close partnerships between schools and industrial enterprises (Robertson and Soucek, 1991, Palmer, 1995, Ball, 1990) allow the schools (at least so the argument goes [OECD, 1989a]) to tap directly into the needs of industry and thus to respond almost immediately to the requirements of the labour market. The ideal type post-Fordist school would provide vocationally relevant generic skills, with perhaps some additional special courses such as computer analysis, fashion design, or aeronautics instruction (see Robertson and Soucek, 1991). In most instances, of course, basic cognitive and behavioral skills would be sufficient to fit school-leavers into the labour

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[82]Derber (1982: 169) describes *ideological proletarianization* in terms of a "major loss of control over the goals and social purposes to which one's work is put."

process. More complex and plant-specific skills would be learned on the job; that is, *just in time* (JIT) when they are needed.

We can therefore argue that, in terms of structural autonomy, schools are modeled on industrial organization and, in terms of functional autonomy, the outputs are directly correlated with the labour market. To ensure that this in fact happens, schools are controlled through the industrial management systems of TQC and JIT, or by what in the current parlance passes for "self-management" (Smyth, 1993).

Fritzell makes a further distinction between negative and positive correspondence which

> may be simply described as a matter of the functional significance of, on the one hand, what *is* actually done and represented in school in terms of positive contribution to social and economic reproduction and, on the other hand, what *is not* in terms of the insulation from potential threats to such reproduction (Fritzell, 1987: 30).

The current emphasis on basics (also known as basal or core curriculum) education serves the function of matching educational outcomes with the basic cognitive and behavioral skills required for approximately 80% of jobs available in the post-Fordist labour market (cf. Reich, 1991: 175-180). The higher level skills are developed in the academic stream in public schooling and by a powerful private sector which attracts some 7% of all students, and which is exempt from the limits imposed by the National Curriculum standards. The private sector accounts for one fifth of six-formers and nearly one half of Oxbridge entrants (Taylor-Gooby, 1994: 120). In this sense, hyper-liberal/post-Fordist education in Great Britain correlates positively with the required skills in the labour market as well as with a neatly-fitting reproduction of the social relations of production.

But what about the negative correspondence? There clearly is a tension between what is functional to the economy and what is not. Carnoy (1985) describes this tension in terms of a contradiction between the imperative for schools to reproduce the unequal, hierarchical relations of the capitalist workplace, on the one hand, and schooling for democratic citizenship, on the other. The latter stands in a contradiction to the former, yet it also provides a certain measure of legitimacy of an otherwise exploitative system of social relations, because it promises expanding economic opportunity for subordinate groups. At the same time, the negative form of correspondence, with its focus on self-realization and personal development in some areas of Language Arts or Drama, for example, lends capitalist schools a real and persuasive image of relative autonomy of schooling. We might note, too, that under the Fordist regime of accumulation, the general tendency has been towards a growing relevance of the negative form of correspondence. This was chiefly due to two factors: increasing recruitment of teachers from working-class backgrounds, and growing influence of educational workers and educationalists on the formation of educational policy.

Speaking specifically about the UK situation, the increasing working-class presence in the teaching profession and the growing opportunity for input by teachers into educational policy are crucial ingredients of what has come to underpin the principle of school and teacher autonomy. And although these elements of teacher autonomy were present in schooling before 1926, as White (1975) argues, the political conditions of the mid 1920s resulted in their universalization. In other words, what made the emergence of teacher autonomy possible were not only the struggles waged by the teaching profession, but also, and according to Grace (1985: 11) most importantly, the wider objective political conditions that came to prominence at that time:

> All this pointed to the need to win teachers away from dangerous alliances with the working class by trying to remove their sense of occupational grievance, by taking more seriously their claim to be professionals and crucially by establishing a principle of school and teacher autonomy....

This should be well remembered in the present context of the challenges presented to the teaching profession by the modernizing forces of global capitalism.

When brought together, our observations about TQC, structural isomorphism, differentiation among teacher qualifications, and market-determined differentiation among schools seem to produce a picture of an educational system tightly controlled not only by the DES bureaucracy, but also by market relations, which, in turn, more than ever correspond to the social divisions in the British society. In this sense, the post-Fordist developments in the UK education signify a radical departure from what Lawn and Ozga (1986) and Grace (1985) call *licensed autonomy* of teachers which is underpinned by the principle of "indirect rule" in the provision of education in the post-1926 era. On a broader historical continuum, we can thus begin to trace the developments in the autonomy of schools and teachers from the pre-1926 period characterized by a visible strategy of direct imposition and surveillance to an invisible strategy which controlled teachers and schools through the ethic of legitimated professionalism in the period between 1926 and the post-WW2 era, to the current return of a more direct and visible control, but which is, in addition to direct supervision, more strongly asserted by market relations and by the social relations of production themselves. In other words, it is the penetration of the commodity form into the form and content of schooling that tends to "select" or bring together schools, teachers, students, and parents on the basis of their SES background and their capacity to pay or their will to survive.

But to return to teachers, the changes in their work are thus taking place at several levels of teacher autonomy: *structural autonomy,* which relates to the degree of independence from other structures of the state and the economy; *occupational autonomy,* which refers to self-determination in relation to professional entry, professional formation, and professional self-government; and *workplace autonomy,* which refers to more than just technical aspects of doing one's job because it also involves teachers' autonomy in relation to curriculum, pedagogy, assessment and evaluation of students (see Lawn and Ozga, 1986, Grace, 1985). Both occupational autonomy and workplace autonomy are further influenced by the changes reflected in ideological and technical deskilling. The point we wish to make is that the post-Fordist changes, as they have impacted on the provision of education, have also impacted on teachers' autonomy in all three areas suggested above. And it is important for teachers to understand these changes, as it is no longer possible to secure their cherished autonomy behind the closed door of their classrooms, as even their presumed technical autonomy (we refer here specifically to our comments in the paragraph immediately above) has now assumed a non-autonomous function of social reproduction, albeit within a structure which appears autonomous in its empirical features (Fritzell, 1987).

Furthermore, in view of technical re-skilling underway in the UK, the USA (Carlson, 1989) and Australia (Ashenden, 1990, 1992, 1994, Chadbourne and Ingvarson, 1991), it remains to be seen whether Derber's (1982: 189) prediction that such technical deskilling "would almost certainly undermine the existing ideological accommodations and produce explosive dissent" will, in fact, occur.

10.2. What Type of School are "Right" for Global Post-Fordism?

Education and training

The task of developing appropriate work-relevant skills has come into prominence in Australia with a number of reports sponsored by the Department of Education, Employment, and Training in the early 1990s. The Carmichael Report's (1992) brief was to develop a flexible training system, with multiple points of entry and credit transfers. It would be a national system which would recognise four distinct levels of the Australian Vocational Certificate (AVC). The task of identifying specific work-relevant competencies

was given to the Mayer Committee (Mayer Report, 1992a and 1992b). Both the Carmichael and Mayer Reports were underpinned by two central themes: (1) the learning process has been conceptualized as a process of fragmented skills acquisition, and (2) the traditional division between vocational training (i.e., system maintenance) and general education (i.e., lifeworld) has been dissolved and replaced with a unifying principle of competency-based education/training. The direct consequence of revising the function of education, then, was that lifeworld interests were pushed out of the educational agenda altogether.

The new training system is informed by the belief that the economic and industrial context of the post-Fordist workplace has been dramatically transformed. In this new context the concepts of generic multi-skilling and technological literacy appear to play a dominant role. Thus the Mayer Report again and again emphasizes generic cognitive skills rather than the traditional specific manual skills, or the concepts of knowledge and understanding (cf., OECD, 1989) and the development of behavioral skills required for effective teamwork. The need for multiskilling and flexibility is reflected in its promotion of broad-based knowledge and flexible modular programmes. More generally, the post-Fordist school is expected to foster resourcefulness, cooperation, independence, and problem-solving skills, as well as literacy, numeracy, and basic technical skills. The cost of providing the new training system is to be shared between the state, enterprises, and clients. Because human resources are now viewed as investment, it is envisaged that the modern firm will tend to utilize its internal labour market. This would involve upgrading the skills of its existing workforce rather than drawing on the external labour market.

This, then, is in a nutshell the strategy the federal government in Australia has adopted in its effort to improve the nation's economic performance and thus ease the increasing burden of the long-term chronic unemployment. The enormous efforts that have gone into restructuring the state training system and public schooling is underpinned by the belief that an emphasis on work-relevant competency training might in some way resolve the unemployment problem. Of course, it is hard to say whether anyone in Canberra actually does believes this. Nevertheless, this is the face displayed for public consumption.

However, our intention here is not to speculate about the private feelings of political leaders or top bureaucrats. We will content ourselves with empirical evidence, textual analysis, and the logic of contradiction inherent in the current economic reform. Firstly, drawing on our previous discussion, we would suggest that the post-Fordist regime of production does not require a great deal of involvement of public education institutions in work-relevant skills formation.[83] This job would be done much more efficiently by the firms themselves. The Australian capitalists are, however, rather reluctant to spend money on training and on their workforce in general. There is, therefore, a clear area of conflict between firms' parsimony and their need for specific firm-based skills (cf., Curtain,1987).

In this sense, the Carmichael Report (1992), which clearly draws on the European experience, provides a valuable contribution to the ongoing debate about training--especially the link it makes between provision of college education (an area of the state's responsibility) and hands-on experience in the workplace. We would further suggest that the financial and instructional input in the area of work experience, following the German lead (see Mahnkopf, 1992), should be a joint responsibility of the employers' associations and the craft unions. The curriculum content should be equally divided between lifeworld interests and work-relevant skills formation.[84] In addition, contrary to claims raised in the Mayer Report (1992a and b) and the OECD policy statement (1989a), we would argue that the work-relevant skills must be taught in the context of the overall production process.

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[83]Cf. Germany where vocational training is a joint responsibility of the chambers of industry, chambers of craft, and employers. The government, through a provision of secondary vocational education, is responsible only for one third of the costs (Mahnkopf, 1991: 67).

[84]For a detailed discussion of the relationship between vocational and general education see Soucek (1993 and 1994).

The obvious reason for this not being the case at present, we would argue, can be found in our earlier analysis of the neo-liberal strategy of increasing capital's control over the production process in order to simultaneously obscure the *relations in production* and secure the surplus value. As is the case, in Australia the state (whether wittingly or unwittingly) allowed itself to be used to advance conservative interests.

Secondly, a close analysis of the key policy statements (Carmichael, 1992; Mayer 1992 a and b; Finn, 1991, OECD, 1989[85]) reveals that the Australian educational and training systems are being steered in the direction of correspondence between the oppressive conditions of the post-Fordist labour market and the post-Fordist relations of/in production. In the competency area of "teamwork" (see Mayer, 1992a:30-31), for example, what is being encouraged is a formation of fragmented basic skills. Nowhere in the document, however, is there a provision for developing holistic conceptual skills which might enable students to comprehend the production process as a whole. This is, perhaps, the most damaging aspect of the push to economize public education and training in Australia--i.e., the problem is not in the recognition that education needs to be more responsive to the needs in the industry, but rather that these changes leave out the crucial areas of conceptual thinking and the development of intellectual autonomy[86].

Finally, we would argue that the health of any economic system depends not only on a continuous improvement in production efficiency, but also on a productive re-investment of achieved savings and on allowing the consumer demand to support the existing production and to stimulate further investment. The evidence of the last decade shows that increases in productivity by themselves have a negative impact on job creation. Clearly, something else needs to accompany the implementation of the structural productivity principle. As a globally applied strategy, the focus on export earnings does not seem to be beneficial in the final analysis either, as the income received from exports tends to be offset by increased imports. This happens precisely because every other national economy depends on the same "magic" of export-generated national income. In this respect, the best Australia can hope for is to come out even. Given the enormous effort that went into the restructuring of working and non-working lives, not to mention the regressive redistribution of the national wealth, increasing dilapidation of inner cities, further marginalisation of women, migrants, and other minority groups, this is really not a very good result.

There is a direct contradiction between productivity-driven downsizing and the decreasing consumer capacity to support firms' utilization of their productive capacity. The large army of the unemployed is, therefore, a direct consequence of the neo-liberal strategy of wanting more power over workers and securing larger profits.

Yet with all the massive restructuring and cuts to public spending (with the exception of Japan and the USA, Australia's public spending has always been the lowest among the OECD countries), company profits fell sharply in the 1990-92 period. However, whereas in the 1982-3 a similar fall in profits was consequential to a redistribution in favour of wages, this time there was a fall across the board, even though the fall in wages lagged one year behind the fall in profits. There was a slight increase in welfare transfers in the 1990-1 period, and probably in 1992-3 as well. The rise in welfare, together with the underutilization of productive capacity, would have a negative impact on the rate of profits. One could thus be excused for seeing a certain dramatic irony in the neo-liberal push to increase profits by creating unemployment. Yet, as Bowles, Gordon, and Weisskopf (1989 :130) observe, the question we might be asking is "whether the means of conservative economics were not, after all, the ends?"

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[85]For details see Soucek (1994).

[86]For a further discussion of intellectual autonomy see Soucek (1994).

10.3. Summary

We have argued that at present our society is undergoing a fundamental transition from Fordism to post-Fordism. We have further claimed that the present educational changes signify a break with the Keynesian hegemonic project and with the associated educational settlement. To the extent that these changes might promote the new flexible accumulation strategy, we would suggest that the new educational settlement can be understood as a *flexible education settlement* (Cf., Mathews et al., 1988).

This chapter has been primarily concerned with educational competencies. In the next chapter we shall examine the difficulties associated with rewriting curriculum in terms of behavioral objectives. We will first identify conceptual problems inherent in the proposed competencies approach. We will further argue that this approach, which clearly is motivated by economic imperatives in its emphasis on work-relevant and demonstrable competencies is likely to produce some socially negative consequences. These include a loss of collective capacity to evaluate social practices in socially meaningful terms, and a further subsumption of the lifeworld of individual citizens by the economic/administrative system.

11
THE SYSTEM AND THE LIFEWORLD

One further point needs to be made at this stage. Our intention is not to argue that hegemonic projects (and, by extension, the provision of public education) are determined by economic conditions alone. The notion of economic determinism (e.g., the relationship between the system's needs and public policy) is a theoretical construct oblivious to human agency's vital role in mediating the tensions necessarily arising in our contemporary society. It is generally recognized[87] that, in our modern capitalist society, human agents do have at least some measure of self-determination in opposition to the economic/administrative system determination.

There is, of course, considerable evidence of a correspondence between accumulation regimes and hegemonic projects, or between system imperatives and their impact on the lifeworlds of private citizens. Furthermore, as Gramsci (1987: 105-6) pointed out, at times of conjunctural crises the state *tends* to assume a hegemonic role on behalf of capital in order to reorganize the social relations of production, social reproduction, and distribution, with a proviso that the material conditions for such a reorganization must already exist or at least be emergent. It cannot, however, be emphasized enough that any seeming correspondence between economic strategy (such as the deregulation of financial markets, for example) and the social structures of accumulation (e.g., education and training) is only a *tendential* phenomenon[88], not an evidence of structural determination. Public policy and the forms of social organization are contestable now as they were at the time of Gramsci's writing.

What is new today is our collective perception of the nature of such contestation. We would argue that the fundamental conflict is no longer seen as being between the proletariat and capital (i.e., centred on class consciousness), but rather between the economic/administrative system and the lifeworlds of private citizens (i.e., centred on communicative rationality which presumably mediates the tensions between various societal interests).

In the arena of public education this conflict issues as an attempt by the corporate sector to promote system-maintenance skills. Conversely, in Australia the 1960's and early 1970's was a period when lifeworld skills were given a receptive ear by policy-makers. In other words, the present policy debate appears to be about how much of school time and effort should be given to system-maintenance skills formation, on the one hand, and to the pedagogical pursuit of students' self-actualization and intellectual autonomy, on the other. The strategy of the system-maintenance advocates (e.g., OECD 1989; Mayer Report 1992a/b; Carmichael Report 1992a/b; or the Finn Report 1992) is to reduce the tensions between the system-maintenance requirements and the lifeworld by denying the presence of any conflict (cf. Apple, 1971). The traditional division between vocational and general education has collapsed into a paradigm of flexible skills formation or competency-based

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[87]See, for example, the notion of structuration in Giddens (1984), or discourse ethics in Habermas (1984, 1989, 1990).

[88]By saying this we are not denying the link between the enormous power transnational capital wields over nation-states' domestic economic policies (Kennedy 1988). Our point is that these policies are not produced in a strictly deterministic sense; they can, and indeed often do, take different shapes.

education/training. The evidence[89], however, suggests that work-relevant educational competencies tend to over-emphasize system-maintenance skills at the expense of lifeworld skills.

The claim that education separates into general and vocational aspects is clearly a problematic one. Many commentators (OECD 1989, Hager 1992) argue that such separation constitutes a false dichotomy. Our own view is that in one sense this is, indeed, a false dichotomy, but in another it is not. We have dealt with this topic elsewhere.[90] For our present purpose suffice it to say that, except for specific mechanical skills (e.g., welding), most vocational skills are underpinned by the same basic skills which are taught in general education. These skills may be categorized as linguistic, cognitive, interpersonal, and social/moral competencies. Thus, for example, the ability to perceive an interruption in the production process and clearly communicate this to the appropriate authority or department, without antagonizing the other workers or vesting the information with some undisclosed personal goal, are skills informed by general education skills, not by specific work-related skills. Our contention, however, is that not all general education skills are directly applicable to an industrial workplace. For example, the capacity for independent, original, and critical thinking is a socially and culturally relevant skill rather than work-relevant skill, as it extends beyond the technical problem-solving required in a typical industrial environment. For this reason, an exclusive focus in school curriculum on work-relevant skills would clearly result in a gross neglect of vital lifeworld-relevant skills.

11.1. Decolonising the lifeworld

We argued that throughout the past decade or so the world economy has gone through a transition from a Fordist mode of production to what many commentators describe as a post-Fordist mode or sometimes as a flexible specialization mode of production.

We have further argued that the period of modern capitalist development can be characterized as increasing colonization of the lifeworld by the system, and we have claimed that the transition from Fordism to post-Fordism has accelerated this process.

In this section we will examine briefly the relationship between the system-maintenance imperatives and the role of competency-based education (CBE). Given there is a close relationship between post-Fordist workplace skills and CBE, we will be interested to see what role is CBE likely to play in the conflict between the system and the lifeworld. We will argue that the separation of the society into the system and lifeworld tiers is a false separation. Following McCarthy (1985) and Misgeld (1985), we will argue that at the theoretical level of analysis the systemic aspect of society can become available in the lifeworld. We will further claim that, closely related to the false separation of the system and the lifeworld, is the general vs. vocational education dichotomy. To develop our argument, we will first identify the theoretical difficulties inherent in the competency-based approach. Second, we will discuss the crucial area of knowledge--what can be known and for what purpose. Finally, we will juxtapose system-maintenance pedagogy with pedagogy which approaches the systemic aspect of society through lifeworld-derived competencies. Figure 6 outlines the relationships between the concepts crucial to our argument.

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[89]See, for example, Soucek 1992b and Soucek 1993a.
[90]See Soucek 1993a.

Societal tier	*Educational orientation*	*Type of integration*	*Knowledge area*	*Learning domain*	*Pedagogical method*
Lifeworld	General	Social	Practical Emancipa-tory	Cognitive Normative Expressive Affective	Performative
System	Vocational	System Maintenance	Technical	Cognitive	Formal

FIGURE 6: Conceptual framework of the traditional model of public education.

11.2. Conceptual Problems Inherent in Competency-Based Education

There are some real difficulties inherent in the approach adopted by the Mayer Report. They can be broadly arranged under the following themes: (1) what constitutes knowledge, (2) the relationship between performance and deeper knowledge/understanding, (3) who selects the skills to be tested and how standards are determined, and (4) the problems inherent in a modularized curriculum.

(1) Performance is not a pathway to knowledge. The competency-based approach claims that knowledge is evidenced in a performed skill. It asserts that knowledge is constituted in what people need to know in order to perform or demonstrate a certain skill. This approach shifts the focus from theory to practice. The question, however, arises: Does a learned performance constitute a competent performance if it is not underpinned, at the same time, by theoretical understanding?

As Norris (1991) argues, in professional practice the competency approach is flawed on three accounts. Firstly, competence cannot be defined in advance because it is always situationally specific. As a consequence, a learned performance might not guarantee a competent performance in altered circumstances. Secondly, because the assessment of a competent performance is at least partially dependent on the assessor's subjectivity, it assumes that the personal values and knowledge of the assessor and the tested person are identical or at least similar. Thirdly, "what is needed are standards of criticism and principles of professional judgment that can inform [competent] action in the context of uncertainty and change" (*Ibid.*: 337). In our view, the competency-testing approach simply cannot anticipate all possible permutations of occupational situations. Its focus on performance rather than on knowledge is unlikely to equip the future practitioner with the capacity to deal effectively with unforeseen, situationally specific, problems.

Clearly, the shift from the assessment of knowledge to the assessment of performance has resolved neither the problem of inference nor the problem of guaranteeing the transferability of competence between situationally specific settings.

(2) Performance does not guarantee a presence of knowledge. Within the context of competency-based testing, the relationship between a performed skill and the deeper understanding supposedly underpinning it is a rather tenuous one. Yet the present policy proposals[91] tend to favour a development of *routine tasks* and *mechanical abilities* rather than enhanced understanding. This might considerably jeopardize the development of the latter. The Finn Report favors an approach based on discrete competence/skill modules rather than on knowledge and understanding *per se* (Finn, 1991: 57). The Carmichael Report also proposes that educational outcomes must be demonstrable. What is common to these documents is that they appear to assume that understanding and knowledge somehow develop through the skill-learning and skill-testing situations. Yet this conflation of skills-testing and knowledge and understanding might not be justified. The danger lies in the

[91] See, for example, OECD, 1989.

assumption that a *limited number of specifically defined skills demonstrate the presence of knowledge and understanding* that supposedly underpin those skills.

Following Messick (1984), Norris (1991), and others, we argue that *competence* is about a *potential* whereas *performance* is about actually carrying out a task. This distinction would seem quite unproblematic. Clearly competence is different from performance. Even if we accept Flavell and Wohlwill's (1969) argument that competence is a cognitive structure embedded in an activity, there still remains the problem of furnishing some sort of internal mechanism for allowing these cognitive structures to be usefully employed under different conditions or circumstances.

Wood and Power (1987) also argue that competence and performance are not the same. They define competence as resting on

> an integrated deep structure (understanding) and on the general ability to co-ordinate appropriate internal cognitive, affective and other resources necessary for successful application (*Ibid.*: 414).

A successful approach to training, therefore, needs to take account of this higher level of skills co-ordination. It needs to be about knowledge and understanding, not just about demonstrable performance.

There is a flaw in the logic of competency-based curriculum. This flaw resides in the assumption that if *deeper knowledge* and *understanding* produce an appropriate *performance*, then, conversely, learning to perform would lead to deeper knowledge and understanding. This, of course, is a falacy, as elementary logical principles (Modus Ponens and Modus Tollens) clearly show.

(3) Who should determine what is to be learned? The other difficulty that arises in the competency-based approach relates to who actually determines what is to be learned. As Ashenden points out, "the outcomes defined are not the familiars of education talk - 'understanding', 'awareness', 'grasp' and so on, but the capacity to do something" (Ashenden, 1991: 18). But more importantly, he continues, this capacity is derived directly from a particular job, workplace or industry. In other words, it is increasingly the employers, not educationalists, who determine what is to be learned in the classroom. The point made here is that, even though generic, employment-related skills need to be underpinned by deeper knowledge structures acquired through general education, this knowledge does not necessarily need to be very complex. For example, the ability to "interview a person and fill out a structured form on his or her behalf (Mayer 1992a) might be a useful skill, but a skill, nevertheless, quite routine and certainly not underpinned by any complex knowledge.[92] Therefore, to the extent that generic skills-testing might define the future curriculum, the students' learning environment might correspondingly be deprived of the richness and complexity of intellectual challenges of that aspect of the curriculum which is deemed irrelevant to the formation of generic work-related skills.

(4) Modular vs. continuous curriculum. Yet another problem with competency-based skilling is related to the tendency to fragment and isolate clusters of skills, without providing useful structures for the students to make connections between these discrete skills. There are, of course, some obvious advantages in having small modules of skills or units of knowledge. They might provide more flexibility to students, who are able to

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[92]This statement refers to a formal application of a structured "competent" performance as recommended by the Mayer Report (1992a/b). In practice, of course, there is not a single structured way of doing it well. To do this task competently may require a very deep understanding, indeed; e.g., an understanding of a situation the client comes from, his/her emotional state, or how best to get the information out of the person. The point made earlier is that to do this task well one needs to take into account the specific situation which will change with each new client. The appropriate conduct cannot be anticipated in advance. This competence, therefore, must be informed by knowledge and understanding flexibly applied in a given situation. In our interpretation, however, the key competencies outlined in the Mayer Report are not concerned with the learner's deeper understanding of his/her performance.

exercise more individual choice in how they mix the different components of a course. But there are also clear disadvantages. The continuity of development of ideas might completely break down. Consequently, even after a prolonged period of study, students might fail to penetrate deeply into any area of skill or understanding. They might acquire a number of skills, but these might allow them merely to skip over the surface of what informs those skills. This is an obvious risk of any modular curriculum.

Perhaps the most appropriate criticism of modularized curriculum comes from teachers themselves. Their reaction to unitization of curriculum in Western Australia, for example, is well documented.[93] Within the context of the present discussion, some of their major criticisms were directed at the lack of continuity of curricula. This was noted in all core subjects. The general perception of teachers was that students indeed "keep skipping over the surface of what normally underpins general knowledge and understanding." Furthermore, the 10 week modules made the traditional mentor or pastoral role of teachers impossible to fulfill, to the extent that many teachers did not in fact know their students' faces.

11.3. Knowledge: Knowing What and the Reason for Knowing

The competency-based-education argument, in its focus on the formation of system-maintenance skills, clearly acknowledges that society comprises two separate areas: the system and the lifeworld. In this it follows the traditional division of educational functions into vocational and general. What is new, however, is that the competency-based (or system-maintenance) curriculum tends to be presented as having also the function of general (or lifeworld) education. We suggest that this is a theoretically flawed approach, because it tends to (1) reduce all educational concerns to the discreet area of technical knowledge, and thus (2) encourages a subsumption of lifeworld interests by the systemic interests.

(1) Three areas of knowledge.

The competency movement claims that the separation of the theoretical and work-relevant aspects of education constitutes a false dichotomy. In support of this claim, we would argue that general education and vocational education are jointly constituted of both the work-relevant and the theoretical aspects of knowledge. However, following Habermas (1979) we would assert that it would be more useful and appropriate to categorize knowledge as technical, practical, and emancipatory types of knowledge. *Technical knowledge* is concerned with doing things - for example, fixing up a bike, or building a nuclear reactor. Its chief preoccupation is to look for causal explanations within the realm of the physical world (e.g., physical science or engineering). Its role is instrumental. It can be used as a means for achieving a social goal. However, it cannot become a social action in its own right, because social implications of its application always transcend its own territory.[94] *Practical knowledge*,[95] on the other hand, is concerned with understanding the social world. Examples of practical knowledge might include traditional forms of teaching,

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[93]For further discussion of this topic see Robertson and Soucek (1991); and The Ministerial Taskforce Report (Nov., 1990).

[94]The major flaw of *Economic rationalism* consists precisely in that it assumes that technical knowledge can become a social action in its own right (Cf. Pussey 1991).

[95]Practical knowledge is about interpreting the social world. It serves to extend understanding and the capacity to communicate about social phenomena. It is reflective and insightful, but remains confined to the limits of dominant social and cultural values. It fails to take account of the fact that its own interpretation is caused or has its origin precisely in these dominant values. It is reluctant to recognise the role objective socio-economic structures might play in influencing the social action. It fails to make the connection between "objective' and 'subjective'.

or those social sciences which aim to explain or legitimate the existing social order. *Emancipatory knowledge* is interested in the power relations embodied in the existing social structures and in the aspirations of men and women to achieve their potentialities; that is, it aims to identify the structural and personal phenomena that inhibit such self-realization. Examples of emancipatory knowledge can be found in critical sciences such as critical pedagogy, critical sociology, psychoanalysis, and in liberation theology. Significantly, all three types of knowledge can be developed only through a dialogical interplay between theory and practice.

There is no hierarchical ordering among these types of knowledge. Yet together they form a unified whole whereby each area is required to interact with the other two. In complex social situations an absence of one area of knowledge might render the understanding of such social situations incomplete. For example, a decision to built a dam in order to produce hydroelectricity invites not only an expertise of *technical* problem solving, but also a *social* inquiry into the fates of the local population whose social and cultural existence might be radically disrupted and who need to be consulted about their own future. Finally, within the context of emancipatory knowledge, questions also need to be raised about in whose interest the project is being developed and who is going to benefit by it. The point is that should one of the knowledge areas be ignored, the decision made would be, in principle, incompetent--that is, the dam might collapse, the alternative habitat for those dislocated might not be available and the community might thus perish, or the dam could have been simply built in order to generate profits for the construction company and betray the interests of society as a whole.

Our argument is that social and economic phenomena overlap and are mutually interdependent, but nevertheless the distinction between the two does not constitute a "blurring" (OECD 1989) and the one does not become the other. The lifeworld extends well beyond the economic/administrative system. Those who advocate that the lifeworld is identical with the economic system are clearly guilty of economic determinism, an attitude which in the final analysis would seem to deny humans the capacity for self-determination. Whilst care must be taken to avoid a false dichotomy between the *technical* and the *practical/emancipatory*, these two aspects of knowledge must not be conflated because the latter could be significantly devalued and the former presumed to have the attributes of the latter.

(2) Knowledge, intellectual autonomy, and social integration.

The implicit goal of education is to help the learner achieve *intellectual autonomy*. By intellectual autonomy we mean a capacity to participate in forming validity judgments in actual social situations of unequal power and authority (Young 1990). This concept clearly surpasses concerns with formal problem-solving and a technical aspect of performance, which, we would argue, constitute the essence of competency-based education.

We have argued earlier that the concept of intellectual autonomy encompasses four distinct (yet interdependent) competencies: linguistic, cognitive, intersubjective, and egological (or ego-developmental). Each area of competence is concerned with a related validity claim. Respectively, these are: comprehensibility, truth, appropriateness, and truthfulness (Habermas 1979). Let us illustrate the complex relationship between these competencies.

Linguistic competence extends beyond a grammatically correct way of using language. It also acknowledges illocutionary force. Illocutionary force refers to the power-relationship between the speaker and the listener. Different degrees of illocutionary force can be identified, for example, in the following sentences: "I order you to…!" and "I would like you to…." Linguistic competence is thus underpinned by *intersubjective competence*, which consists in recognizing and respecting the role of the *other*. Intersubjective competence is concerned with fairness and equality of discourse and social action. Linguistic competence is further underpinned by *cognitive competence*, which extends beyond the narrow cognitivist and monological concerns of "What do I know?" and "Is it

'correct'?" In the area of the social world, it is also concerned with raising validity claims about the impact technical knowledge and social action might have on the lifeworlds of people. In the emancipatory sense, it raises validity claims about the impact of existing power arrangements on individual aspirations to intellectual autonomy and well-being. It requires a dialogical form of inquiry.[96] Finally, linguistic competence is also determined by *egological competence*. This refers to the psychological maturity of the learner. An egologically competent person can distinguish between self-interest and collective interest, and he/she can balance the two in the course of all social interaction. In a discourse situation, his/her action is oriented towards understanding, not towards achieving a self-interested purpose. Such a person is able to challenge own validity claims. Each of the other competencies (i.e., cognitive, intersubjective, or egological) is similarly influenced by the other three.

All four competencies are, therefore, necessary for a student to become an *autonomous learner* and an autonomously functioning member of our contemporary complex societies. For the learner, the success in mastering these competencies determines his/her systemic and social integration. It is thus possible for the learner who has achieved competency in one or two of these areas to become systemically but not socially integrated, and vice versa.[97] Figure 7 outlines the conceptual framework of social integration.

Structural components	*culture*	*society*	*personality*
Reproduction process	cultural reprod.	social integr.	socialization
Aspects of communicative action	understanding	coordination	sociation
Speech acts	propositional	illocutionary	expressive
Key Competencies	linguistic/cognitive	intersubjective	egological

Figure 7: Social integration

Schools clearly have a great deal to contribute to the process of social integration. In relation to the system and the lifeworld, the type of social integration espoused by educational policy might aim at one of the following: (1) reproducing the status quo, (2) improving the general conditions with respect to the emancipatory interests of the lifeworld, and (3) altering the social structures of accumulation (e.g., education provision) according to accumulation strategy (i.e., system) imperatives. The important point is that social integration must aim at dissolving any possible dissonance between the system and the lifeworld. A Fascist administration, for example, cannot coexist with emancipatory

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[96]Two points need to be made here. Firstly, dialogical inquiry can usually take place within accepted norms of classroom interaction. However, when instances of cognitive dissonance or normative disagreement arise, it may be necessary to provide space for the learner to challenge the assumptions and procedures underlying the typical classroom interaction (Young 1989; Miller 1986). Secondly, dialogical approach does involve strategic limitations imposed on the learning experience. However, these limitations are withdrawn in accordance with the learner's progress towards intellectual autonomy.

[97]In *The sane society*, E. Fromm argues that when a society itself is in some way psychologically deformed, a successful social integration requires that the individual's personality be similarly deformed. Within the context of the present discussion, we would suggest that a social integration based entirely on system-maintenance competencies might similarly indicate certain shortfalls in the psychological health of our own society.

curriculum, because administrative dictatorship and intellectually autonomous population would stand in contradiction to each other. Any shift in the economic/administrative system, therefore, needs to be accompanied by a corresponding shift in the processes of social integration.

We would further argue that the currently emerging economic/administrative system shows signs of progressive de-democratization of the political processes. This is necessary in order that the control of resources and a correspondingly increasing concentration of wealth in fewer hands (Eaton & Stilwell 1992) might not be politically challenged. In this respect, the notion of intellectual autonomy assumes a contradictory function. From the post-Fordist system's point of view, learning in schools must now accommodate these political and cultural developments. Students' capacity to interpret autonomously (or counterhegemonically) the politico-economic, cultural, and social phenomena must be subordinated to the interests of the system. Our own analysis of the proposed competency-based education system[98] indicates that the education system *is* being realigned with the emergent economic or systemic imperatives; that is, the social structures of accumulation *are* altered in order to fit in with the post-Fordist accumulation strategy. We would argue that the strategy for achieving this perlocutionary purpose consists not in denying the existence and relevance of lifeworld-related competencies, but in re-defining them in terms of a reduced intellectual autonomy[99] and the system's needs.[100] Hence the colonization of the lifeworld.

What we thus see in the competency-inspired restructure of school curriculum is a concerted effort to achieve systemic integration under the guise of cultural and social integration, and to imbue the process of cultural and social integration with system-maintenance skills. The lifeworld thus loses on both accounts.

11.4. Pedagogical Implications for Decolonising the Lifeworld

(1) The competency movement and the colonization of the lifeworld

By collapsing lifeworld and system-maintenance skills into a single category of work-relevant skills, the competency movement denies society its capacity to reflect critically on both the systemic structures and the way in which they impact on the lifeworlds of people. We would suggest that an overt emphasis on system-maintenance skills is likely to produce the following consequences: (1) the emancipatory project of modernity is likely to be abandoned, and (2) the economic/administrative system's colonization of the lifeworld is likely to progress even further.

Firstly, the emphasis on technical knowledge and the cognitive learning domain promotes the development of system-maintenance skills. The practical and emancipatory areas of knowledge are ignored, and the normative, expressive, and affective learning domains are significantly undervalued, as is also the notion of intellectual autonomy. In other words, the capacity for critical thinking necessary for identifying structural

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[98]See Soucek 1995.

[99]The Mayer Report (1992b) makes some important improvements in the area of lifeworld skills. There are, however, two points we would like to make. Firstly, "developing ideas" and "becoming critical", competencies emphasised by the Mayer Report, are skills necessarily underpinned by a deeper knowledge that cannot be acquired through performance alone. Secondly, developing autonomous ideas and a critical attitude are outcomes of dialogical learning. The competency approach disregards both the concern for deeper understanding and the role of dialogical pedagogy. It cannot, therefore, lay any claim to fostering intellectual autonomy.

[100]For example, intersubjective competence is confined to the workplace, and presented as a purposeful activity oriented towards a systemic goal.

impediments to social progress and self-actualization[101] is no longer considered as a valid educational objective.

Secondly, by defining lifeworld skills in system-maintenance terms, the autonomy of individual lifeworlds is denied and replaced by system-relevant performance criteria. In a Habermasian sense, this signifies a further colonization of the lifeworld by the system.

The conceptual framework promoted by the competency movement is depicted in Figure 8.

Society	*Educational orientation*	*Type of integration*	*Knowledge area*	*Learning domain*	*Pedagogical method*
Economic/ Admin. System	Work-relevant	System maintenance	Technical	Cognitive	Formal

FIGURE 8: The conceptual framework of the competency-based education.

Figure 8 shows that the competency movement does not include the lifeworld-relevant educational concerns in its educational scheme.

(2) Formal versus performative competency

One of the major difficulties with the competency movement then resides not in its promotion of the work-relevant competencies but rather in leaving out the whole range of the lifeworld-relevant skills. In this section we will argue that the difficulty with competencies extends beyond its selective bias towards work-relevant skills. In particular, it extends to the pedagogical method of formal instruction.[102]

Young (1990) makes an important distinction between *formal* and *performative* pedagogies in relation to the teaching of competencies. There are two key differences between these approaches, and they correspond closely to their respective orientation towards system-maintenance skills and the social or lifeworld skills. They concern, firstly, the social and moral dimension of the character-forming aspect of the learning experience, and, secondly, the pedagogical method involved in the teaching/learning process.

But let us first outline the broader context of this apposition between formal and performative approaches. We have argued elsewhere (Soucek 1993a) that at the ontogenetic level we might be able to identify a fourth, *argumentative* developmental stage in addition to the Kohlbergian scheme. The communicative competence entailed in achieving the fourth stage can best be described as a *socially grounded capacity to reason about universal principles*. Furthermore, the possibility of reaching the argumentative developmental stage is premised on becoming *intellectually autonomous*. we would argue that the orientation towards intellectual autonomy (which is primarily situated in the lifeworld), on the one hand, and the orientation towards formal system-relevant competencies, on the other, constitute the fundamental difference between critical or emancipatory pedagogy[103] and the competency based education.

Young (1990) further argues that children's argumentative capacity can be developed only in a specific sequence. The key issue is the relationship between the level at which the child can currently solve social/moral problems and the curricular *problem-level* with which

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[101]These include a capacity for a critical consideration of the issues of social justice, equity, and equal opportunity, but also for a critical reappraisal of the existing social and moral norms, and in general of the values underpinning the existing power arrangements.

[102]Even though the competency-based education is based on performance, or on "doing things" rather than learning about doing them, the learner carries out his/her performance against pre-given, formal criteria. Performative pedagogy, on the other hand, aims to involve the learner in negotiating the criteria and conditions of his/her learning experience. There is, thus, a radical difference between *performance-based training* and *performative pedagogy*.

[103]See, for example, Giroux 1989.

the child is asked to interact. In other words, the problem-solving task must be pitched at a carefully ascertained level slightly above the child's existing ability to solve these problems and below the limit beyond which the child's present capacity cannot extend. Because only the student him/herself can ultimately *fine-tune* the actual problem-level, the structuring of learning experiences requires a great deal of cooperation between the teacher and the learner. The student's participation is, however, needed not only in order to determine the appropriate problem-levels, but also in order to solicit the student's commitment to the task. The learner must see him/herself to be at least in partial control of the learning experience if he/she is to be changed by it in some way.

This takes us back to the point made earlier. Success in solving a moral or social problem in an autonomous fashion has an *empowering* and *character-forming* effect on the learner. It empowers him/her in the sense of becoming *less dependent on the authority's provision of moral guidance*. It further *provides epistemological grounding for a challenge to authoritative norms*. Finally, it has a character-forming effect in the sense that the *implicit moral dimension of the resolved problem is internalized and the student's character is thus extended or even altered.*

The other point made earlier concerns different pedagogical methods which underpin the learners' experience in our schools. This difference becomes clearest when we juxtapose the performative and formal approaches. In the former, the student participates in setting the problem-levels, whereas in the latter, a problem task is typically given to the student. The former allows the child to explore his/her own cognitive and moral potential in order to help set the moral problem in a social context. This step is crucial because it enables the child to develop a sense of *ownership* over the problem. As a consequence, he/she is more likely to treat it as genuine engagement rather than as a mere school exercise to which a correct answer already exists. By exploring various alternatives, the child becomes aware of possible social consequences of alternative solutions to the problem, and his/her sense of fairness is re-enforced.

The competency-based approach, on the other hand, appears to be flawed for three reasons. Firstly, it does not provide an opportunity for an emotional investment in the learning task. Secondly, the student perceives the task as belonging to someone else--the moral dimension implicit in the resolution of the problem is, therefore, unlikely to be internalized by the student. Finally, the student might perceive it not as a *real* challenge to his/her own capacity to *autonomously* and *creatively* resolve the dilemma. Instead, he/she might see it as an exercise in guessing what the teacher thinks is the "right" answer. The important point that needs to be made is that effective learning of this type cannot be executed in a coercive, non-participatory and pre-determined fashion (Miller 1986) which, we would suggest, are the characteristics of the competency-based education, and, to a lesser degree, perhaps, also of the traditional class-room regimes prevalent in most contemporary schools.

11.5. Summary

We have argued that the current restructuring of our education system reveals the tendency for the economic/administrative system to subsume the lifeworlds of private citizens. We have implied that this is not a socially desirable phenomenon. In the final analysis, this is a socially self-destructive tendency which even today shows up, for example, in the growing ghettos of inner cities of the USA, UK, Canada, and Australia. We would hope that most people share our concerns in this regard. Clearly something needs to be urgently done. However, few people would agree as to what should be done.

There is nothing wrong about disagreeing. Yet we do see a problem when disagreements are chiefly motivated by self-interest and greed alone. To us this indicates an immanent social immaturity and a lack of sophistication in the public policy discourse in

our present society. It is also the major impediment to social progress.[104] A discourse underpinned by such motives cannot hope to achieve any meaningful consensus. Thus, typically, the so-called consensus tends to be gained by silencing or marginalizing the dissident voices (Triado 1984).

To create reasonable conditions for a social dialogue, whereby a genuine consensus might be achieved--to ground the discourse in the lifeworld rather than in the nexus between the system and the lifeworld, and the associated *power games*--is a major challenge to our postmodern society. We would like to suggest that our schools are well placed to help bring about such changes. Our collective responsibility as educationalists is to assist them in this task by providing a constructive and reflective critique of the emerging educational settlement, by providing insight into the complex issues of the penetration of the commodity form into classroom practices. These changes will not happen overnight. They will take time. Yet even today we might begin by a complete overhaul of those educational policies which propose a further privileging of systemic interests vis-a-vis lifeworld interests--the lifeworld must find its way back into the curriculum. Figure 9 outlines the possible conceptual framework of such project.

Societal tier	*Educational orientation*	*Type of integration*	*Knowledge area*	*Learning domain*	*Pedagogical method*
Society	Lifeworld	Social	Technical Practical Emancipa- tory	Cognitive Normative Expressive Affective	Formal & Performative

FIGURE 9: Conceptual framework for public education designed to bring the lifeworld back into a society.

The task of bringing the lifeworld back into the classroom practices will crucially depend on the attitudes, willingness, and the ideological position of our teachers. Their task, of course, will not be helped by the structural changes that have already taken place. We might also note that over the last two decades or so, ideological proletarianization of teachers (Derber, 1982) tended to result in a kind of ideological accommodation, reflecting the compensation in status, security and so on, received in exchange for the control over their work which they have relinquished. So far the cottage industry of teaching (Ashenden, 1990, 1991) has not been directly affected by teaching. Their work has changed, true, but the post-Fordist technologies have not quite yet penetrated the classroom itself. Or have they?

[104]The point is that the widespread destitution in the developing countries and even in significant parts of the industrially developed countries exists not because the global productive capacity could not satisfy these needs, but because this would not be profitable to those who control this productive capacity (Marcuse 1973).

12
TEACHERS' NARRATIVES AND THE CHANGING NATURE OF THEIR WORK: intended and unintended outcomes, or changing what teachers do by changing the conditions of teaching practice.

12.1 Introduction.

(1) The system and the lifeworld: benign or controlling colonization?

This thesis has argued that since about the late 1970s the global economy has undergone rapid changes. These changes were a reaction to the crisis of the Fordist/Keynesian regime of accumulation. So far the chief initiative in reorganizing the state's ideological apparatuses and the production relations between industrial sectors, between individual accumulating units, and between labour and capital in general has been grasped and controlled by the neo-liberal, or hyper-liberal, factions of the managerial and capitalist elites. These forces have succeeded in defining the new social and economic agenda in terms of private or consumer politics. The agenda has been driven and legitimated largely by the ideology of individual self-interest. In this sense, the neo-liberal agenda has abandoned the traditional conservatism of Adam Smith (1966) and David Hume (1970) who argued that commercial self-interest requires the *visible hand of the state* to secure prosperity for the whole society. Traditional conservative and progressive forces thus have been marginalized or confined to a residual function of muted resistance.

On the surface, these developments might be seen by some[105] as *common sense* changes, as they have been presented by the dominant corporatist discourse largely in terms of economic feasibility. This discourse argues that society can afford to spend on public provision of essential services only as much as the available resources allow it to spend, while, at the same time, minimizing taxes on profits. The fiscal crisis of the nation-state has thus played a key role in the introduction of financial austerity measures in most industrially developed countries.

We have, however, argued that the fiscal crisis of the state has been also used by neo-liberals to create an entirely new agenda for social governance. We have defined this new regime of production and social governance as the post-Fordist/hyper-liberal regime of accumulation. And we have further argued that the resultant changes go far beyond the fiscal measures concerned with the allocation of available resources. Indeed, the hyper-liberal state seems to rest on social structures that specifically encourage a far more radical polarization of our society than was the case under the previous regime. Such polarization is manifest in a number of ways: the national wealth has been re-distributed upwards,

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[105] E.g., Mike Harris' *common sense* revolution in Ontario, or Ralph Klein's appeal to a prosaically simplistic imagery of "home renovations".

public policy has come to be shared substantially by global capitalists, and in the workplace workers' interests have been further subordinated to the interests of private capital.

In this chapter, we will seek to establish to what extent these developments have affected the work of school teachers. In the preceding chapter we identified two areas of concern which have direct implications for what teachers do in their classrooms. They include the tension between the lifeworld and the system, and how knowledge may be defined. In our analysis we have drawn on Habermas' (1989) thesis which claims that the contradictory pressures of capitalist production tend to promote a colonization of the cultural sphere by the economic-administrative system. And we have also seen in the preceding chapters how this might apply to the colonization of workers' cultural selves under the conditions of JIT production regimes. In what follows, we will seek to establish whether such real subsumption of workers by capital also applies to teachers' work.

Yet, with respect to the colonization thesis, we do share Giddens' (1990) skepticism regarding Habermas' ambiguous and implicit claim that the lifeworld might have been *uncolonized* at some distant past. For this reason we will treat the notion of colonization with caution, arguing that there might be different aspects of colonization. As Freud (1991) reminds us, living in a society requires that we make certain sacrifices. Subordinating our individual *pleasure principle* to the *social reality principle* can be seen as a colonization of our lifeworlds by the need to systematize individual transactions. In this respect we also agree with Durkheim (1969) that an increasingly complex society requires increasing self-discipline on part of its individual members. This type of colonization we would describe as *benign colonization.* On the other hand, there is also a type of colonization described by Marcuse (1973) as *surplus repression.* This type of colonization goes well beyond the immediate needs of solidarity or cooperation required for maintaining production and social order. Surplus repression refers to domination of one group of social actors over another, but which is perpetuated solely for the sake of domination alone, and, at the same time, is directly implicated in the process of social reproduction. In our view, this is the type of colonization referred to by Habermas (1989). We will call it *controlling colonization.* In this respect, we will be interested to see how the neo-liberal program of educational restructuring hopes to control teachers in order to use them for imparting specific skills and attitudes to their students to make them fit into the post-Fordist labour market.

This we consider a crucial question, especially in view of the critique marshaled against Bowles and Gintis' (1976) seminal argument which claims that capitalist schooling (under Fordism) had a function of selecting students for their future role in the workplace, and this in correspondence with their socio-economic background. Cole (1988) among others notes teachers' dismay at being portrayed as agents of capitalism. Indeed, our own research (see Robertson and Soucek, 1991) indicates that many teachers are reluctant to see themselves as *skilling* students simply to fit them into the new global economic order. And this even though they may be well aware of the structural impediments to their work (see, for example, ATA, 1993, Taskforce, 1990). Hence our other task in this chapter will be to establish whether the objective conditions under which teachers work might in some way promote teachers' role as agents of capitalism, perhaps, even against their will.

The area of teachers' work is, however, quite enormous. Among other things it involves the concepts of professionalism, with the additional tangential aspects of proletarianization, de-skilling, re-skilling and the notion of social construction of skills of teaching, as well as the polarization of the teachers' labour market and the dualism of educational markets as such. But of crucial concern is also what Foucault (1980) calls the regime of truth--that is, the question of who defines school knowledge, and what criteria are being followed. Foucault defines the regime of truth as: "the ensemble of rules according to which the true and false are separated and specific effects of power attached to the true" (Ibid.: 132). How do teachers know what is true and what is false, and how do they decide which truths are to be taught and which are to be left out? Or is it the case that someone makes these decisions on their behalf, or even that they might be *nudged* into

adopting pedagogical strategies and objectives as a matter of feasibility and exigency rather than as a consequence of sound professional judgment?

(2) Teachers' lifeworld, the field of pedagogy, and the controlling colonization of teachers?

In dealing with this complex issue, we will organize our discussion along two central themes: *ideology* and *technology*. In the earlier chapters we saw how the neo-liberal *ideology* harnessed the notion of scarcity to help the state retreat from its involvement in mediating the conflict between labour and capital. The shift in emphasis in the state's social and economic policies has been from producer economy to consumer or market economy. In this respect, we might also expect that teachers' welfare will be similarly de-emphasized and dominance given to the market and the consumers--i.e., the parents. If that, indeed, has been the case, how could we explain that teachers might be able to carry on with their traditional duties of imparting cultural wisdom to their students under the conditions perceptibly contradictory to that task? This is, of course, not to argue that teachers have not resisted and even counteracted the changes in the provision of education (see Dale, 1989, Ball, 1990, Robertson and Soucek, 1991, Ozga, 1993, Ranson, 1994, Martell, 1995, Soucek and Pannu, 1996). But here we are not concerned with teacher resistance. Our concern is with how ideology may reconstruct teachers' individual narratives in a way that encourages them to accommodate post-Fordist educational objectives and accompanying controlling pedagogies. Our analysis thus goes beyond Derber's (1982) notion of ideological accommodation. Derber (Ibid.: 200) argues that professionals, such as teachers, are controlled through a system of *relative autonomy* which does not threaten them with technical de-skilling but, nevertheless, subordinates them ideologically--that is, while teachers must achieve the agreed outcomes, it is up to them to decide how they are going to achieve them (cf., Angus,1990: 5). Contrary to Derber, we will argue that neo-liberal ideology actually works to reshape teachers' perception of what it means to educate and, furthermore, that the post-Fordist *technical relations in production* (Burawoy, 1985) transform teachers' technical knowledge and hence their technical capacity to choose the means for delivering agreed outcomes. Yet we acknowledge that the process of technical de-skilling is not a uniform one, as some teachers are being re-skilled (see, for example, Chadbourne and Ingvarson, 1991, on Advanced Skills Teacher category in Australia), while others might be de-skilled. Our question is about the processes that might be used to reshape teachers' individual and collective perceptions of what it means to be a teaching professional. And it is in this context that the issue of making teacher training overwhelmingly practical and located in the schools rather than in universities will be discussed.

For the above reason our first task will be to see how teachers' individual and collective *narratives* might be reconstructed through the changing conditions of work and through the restructuring of teacher training programs.

In our analysis of the industrial workplace we have also noted that the combination of global capitalist competition and technological innovation have encouraged the development of new production *technologies* such as JIT and TQC. Following the labour process discourse, we have defined these new technologies of production in terms of *new production concepts*. The key concepts identified were professionalization, re-skilling, de-skilling, multitasking, proletarianization, and a rapid intensification of work effort, typically consequential to a substantial downsizing of the labour force and an increase in the organic composition of capital. Assuming that we might be able to sustain the claim that schools have undergone a transformation similar to that of the industrial workplace (hence the notion of structural correspondence proposed by Fritzell [1987]), our second task then will be to examine the evidence of changes in the technology of teaching. We will focus in particular on the issue of teachers' labour market and on the polarization of the teaching labour force.

Finally, we will examine the issue of *education markets*. We have seen in our analysis of the post-Fordist industrial organization the emergence of dual industrial systems: the core industries including car manufacturing, metal work, and the production of chemicals. At the same time, as large multinational corporations downsized and *flexibilized* their workforce, an opportunity was created for smaller firms to supply products and services no longer performed by the multinationals themselves. This development produced industrial clusters or subcontracting networks such as the Third Italy, the dual Japanese industrial system, and Silicon Valley in California (Murray, 1987, and Dohse, Jurgens, and Malsch, 1985, Campbell, 1989, Sayer and Walker, 1992, Leborgne and Lipietz, 1992). But here we have noted large differences in terms of bargaining power between the principal firm and quasi-integrated small subcontracting firms. The subordinated position of smaller firms is invariably reflected in the substandard working conditions of its labour force. With this in mind, we will examine whether a similar dualism has emerged in the sector of public education.

We are also interested in considering what conditions might produce such a differentiation between individual schools. If, as Harvey (1989, 1993) argues, global capital has the power to co-ordinate and organize capital accumulation across universal fragmented space, the introduction of capital relations into schooling would be more than likely to produce a similar effect. That is, educational outcomes for students would be fundamentally inequitable, depending on which educational market can they access.

We assume that the architects of market education have done their research in terms of what effects such market-driven differentiation between schools might have on schools, teachers, and students. Indeed, the expectation is that some schools might *sink* (Tooley, 1994, 1995, Ball, 1990), that some students will have to *fail* (Wadley, 1990), and that some teachers will have worse working conditions than others (Ball, 1990, Demaine, 1993). In other words, education markets are a zero-sum game, with real winners and real losers. There appears a sort of unconditional trust in the power of the markets to be able to harmonize the provision of education with the wishes of the parents and students. Yet the issue of education markets is much larger than the simple neo-classical economics model based on the notion of such natural equilibrium (Shaikh, 1979/80) would suggest.

That the educational outcomes of marketized and clearly differentiated education are inequitable has been borne out by current research (see Lauder et al., 1995, Ball et al., 1995, Ranson, 1993). There would then appear to be a clear discrepancy between the expectations of what the market might do in terms of equity and what it actually does. Or to look at the issue from another angle, we could argue with some justification that the education market is achieving its purpose of social reproduction along the line of the cultural capital which parents and students bring into making their choice about individual students' careers and about schools suitable for their purpose. This is the line of argument taken by Ball et al. (1995). This in itself suggests a certain manipulative design implicit in the doctrine of parental choice. To put it bluntly, given the findings of Ball et al.'s study, and they clearly confirm Bourdieu and Passeron's (1977) thesis of cultural reproduction underpinned by cultural capital which students and their parents bring into the competitive educational market, the doctrine of *parental choice* and *marketized education* represent an ideal tool for streaming students into careers according to their respective cultural capitals, and, therefore, according to the social class to which they belong.

Furthermore, we have already noted Lauder et al.'s (1995) claim that, even though many working class parents understand well the choices presented to them and the connection between the "right" school and their child's life chances, in most instances their choices are limited by their economic circumstances. Working class parents are thus caught in a double bind of cultural deficit (by this we do not imply that their culture is inferior in any sense, just different from the cultural capital of the middle class [see Bernstein, 1970]) and the financial inability to make the best educational choice for their child.

But if that is indeed the case, then the neo-liberal discourse about market education must be seen as a *systematically distorted discourse* (Habermas, 1972). That is, the

function of education markets has been primarily to polarize educational opportunities for students in accordance with their ability to pay for their education and in accordance with their cultural capital determined by their socio-economic background. In other words, market education represents in practice a much stronger version of the social and cultural reproduction theories developed within the context of Fordism.

Yet we assume that teachers would be reluctant to instruct their students to make them simply fit into the post-Fordist labour-market mould. How could we explain this discontinuity between teachers' intention to educate their students (in the progressive sense, as argued, for example, by Young [1990]) and their inability to do so? We propose to begin our quest for an answer to this question by positing a simple interactive model of teaching. On one side is the lifeworld of the teacher, on the other is the lifeworld of the student. In between is the intersubjective field of pedagogy (see Figure 10 below).

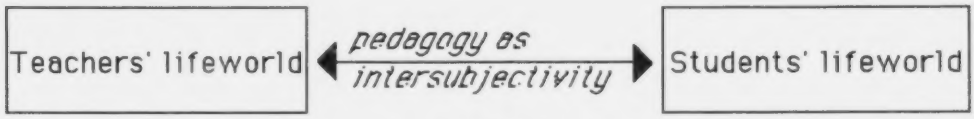

FIGURE 10: Pedagogy, and teachers' and students' lifeworlds.

Let us assume that the teacher has all the best intentions to prepare the student for the life of work as well as for life itself. We might define the latter as an "equilibrated interplay of the cognitive with the moral and the aesthetic-practical" [Op. cit.]) underpinned by intellectual autonomy. But if our analysis of post-Fordist social relations of production is correct, educating students for intellectual autonomy would be counterproductive to the structural and functional correspondence between schooling outcomes and the post-Fordist labour market. It is precisely because post-Fordism is inextricably intertwined with growing socio-economic polarization that the function of controlling colonization carried out by post-Fordist schooling must prevent schools and teachers from helping students achieve intellectual autonomy. And it is at this moment that, in the area of education, the neo-liberal ideology begins its work of *controlling colonization*.

More specifically, the areas which are to be colonized (or *ideologized*) by the post-Fordist economic and administrative system include teachers' lifeworlds, pedagogy, and the learning experiences of students. In other words, if the capitalist state could affect in some way the lifeworlds of teachers and, at the same time, determine the curriculum, impose structural constraints such as performance indicators based on standardized testing of students, and require a greatly intensified work effort by teachers, then it might be possible to minimize the danger of raising the critical conscience of students, even if some teachers might still want to pursue such goals at least in principle. *Our point is that ideological de-skilling has worked to reconstruct teachers' narratives, and the workplace restructuring has introduced specific controls over pedagogical intersubjectivity.* In any case, the strategy of hyper-liberal austerity in other areas of public spending along with the growing jobless or working-poor underclass has most probably already done its work in the sense that the unfortunate students who come from those backgrounds have already selected themselves for failure (cf., Willis, 1977).

Students' lifeworlds have then been colonized, too. Their cultural selves have been fragmented through exposure to deregulated electronic media (see Wexler, 1985, 1987) and their expectations reshaped by the consequences of hyper-liberal socio-economic policies, the consequences of which their parents have brought home from their place of work or from welfare agencies. But our concern here is primarily with teachers and their working conditions. Drawing on our discussion above, we can begin to see the specific forms of control which might ensure the social and cultural reproduction of the post-Fordist relations of production. They are: curriculum, management, markets, and teachers' lifeworlds and their working conditions. This chapter will deal with the last two. Figure 11 schematizes

the areas in which ideology and technology might help determine or colonize teachers' lifeworlds and the field of pedagogy.

IDEOLOGY		TECHNOLOGY	
TEACHERS' LIFEWORLD or the construction of teachers' narratives	FIELD OF PEDAGOGY teacher-pupil intersubjectivity		STUDENTS' LIFEWORLDS
(1) Self a. method b. personal history c. management and decision-making d. teaching-learning theories *(2) Instruction* a. conception of knowledge b. conception of learning c. teaching tasks and objectives d. interactive frames *(3) Students* a. perceived needs b. own responsibility for students' performance c. perceived potential of students	*(1) Professionalism* *(2) Good Teacher* *(3) Knowledge* *(4) Principal's leadership* *(5) Authorities expectations*	*(1) School's place in the market* *(2) Architecture and technology* *(3) Parents, school councils* *(4) Standardized testing* *(5) National curriculum* *(6) Multitasking* *(7) Intensification of work*	*(1) Differences in cultural capital and cultural deficit* *(2) Different values* *(3) Fragmented individual narratives*

FIGURE 11: Teachers' lifeworlds and the field of pedagogy.

In the discussion that follows, ideology and technology will remain our organizing themes. However, we will divide our treatment of teachers' lifeworlds and the technology

of teaching into two chapters. This chapter will look at the process of constructing teachers' narrative. Chapter Thirteen will consider the usefulness of new production concepts for analyzing teachers' work, and, at the same time, it will discuss how specifically the teachers' labour market has changed.

12.2. Teachers' narratives and entitlement to understanding.

In our analysis of the post-Fordist technical relations in production we noted that the changes in the core industrial workplace have come hand in hand with the real subsumption of labour by capital. More particularly, workers' sense of individual, cultural self has been replaced with a *false* identity now defined in terms of the firm's interest, while their *personal, practical knowledge* has been ransacked and appropriated by capital and management, often, and perhaps ironically, with the result that those very same workers have been made redundant by the technology they helped create. In a more general sense, our discussion of post-Fordism has pointed out the vast discrepancies between the post-Fordist narrative, which has promised a new and more just and democratic future, while the social and economic reality indicates a very real slide in the direction of a vastly polarized society. In this scenario, post-Fordism then represents a *narrative,* or a *regime of truth*,[106] which is decidedly monological in character, and which is, at the same time, attached to specific and powerful global economic interests. In other words, contrary to the claims made by incrementalists, not all social change needs to be necessarily progressive. Yet the post-Fordist/neo-liberal "collective" narrative, regardless of its social and economic consequences, appears to remain unchallenged. Downsizing, deficit reduction, privatization, and so on, still remain the chief conceptual tools for constructing social reality.

The notion of collective and individual narratives is then quite problematic. The question clearly is not just about constructing a narrative, but about *how* such a narrative might be constructed, in whose *interests* such a narrative might serve, and what sort of *discourse procedures* are mediating its construction. We have seen that in the industrial workplace the emergence of neo-Taylorist flexibility in the UK and the USA was directly linked with the dominant position of capital in determining social and economic policies in those countries, whereas the Kalmarian industrial relations in Sweden were associated with a more participative mode of social governance.

It might then be plausible to argue that there is a relationship between the manner in which a collective narrative is constructed and the vision such a narrative represents. The manner of educational policy determination clearly will have direct implications for the type of education policies promoted by special vested interests. Thus, if private commercial interests are placed in a privileged position in terms of having input into education policy formation, as was the case, for example, with the Picot Report in New Zealand and the Mayer, Ebbeck and Finn Reports in Australia[107], then it would be hardly surprising to find that such educational policies represent a very one-sided view of educational purposes (see, for example, Grace, 1989, Seddon, 1991, Collins, 1992, 1993, Soucek, 1994).

Educational policy, as a collective narrative and regardless of whose interests it promotes, will also affect the way teachers construct their story of what education does, and how teachers fit into the overall educational purpose. In this section we are interested in

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[106]In this context, the distinction between lived experience and the interpretation of that lived experience (Britzman , 1991) is useful, as it helps explain the anxieties and the sense of uncertainty teachers feel when they encounter structural changes that work against the interests of their students (see Robertson and Soucek, 1991).

[107]Brian Picot is a supermarket magnate in Auckland, Eric Mayer is a CEO of National Mutual, and Mr. Finn is a CEO of IBM, Australia.

teachers' narratives. We want to understand how teachers understand themselves and their role in schooling and in society at large. How teachers interpret their role might then tell us more about who controls schools. And as Dale (1989) observes, control in schools is a necessary condition for the achievement of any purpose through education.

In this thesis we have argued that advanced capitalist societies have undergone a radical change in terms of economic relations and social governance. Inescapably, schools play an important part in these changes. And teachers are clearly one of the key actors in this transition. But if our analysis is correct, and the post-Fordist/neo-liberal structural realignment with the economy does represent a socially regressive change, then we might expect that teachers would be reluctant to co-operate in implementing such changes. Our question then is: What conditions need to be put in place in order to compel teachers to conform to the post-Fordist economic dicta, even if it should be against their will, so to speak?

We have argued earlier that the specific areas where these changes have already been or are being implemented in the countries under our consideration are: curriculum, marketization of education, management style, and working conditions of teachers. In this configuration, teachers are obviously the key element which needs to be brought under control if the post-Fordist educational purpose of structural and functional correspondence between schooling outcomes and the labour market is to be achieved.

There are many ways of approaching the problematic of controlling a profession such as teachers. We have chosen a narrative-oriented approach because for us it represents a thematic continuity of a discursive tension that weaves its way through the entire process of transition from Fordism to post-Fordism. The tension we are referring to is the tension between participative discourse, on the one hand, and a top-down, authoritative discourse, on the other. Discursive procedures then play an important part in the construction of teachers' narratives.

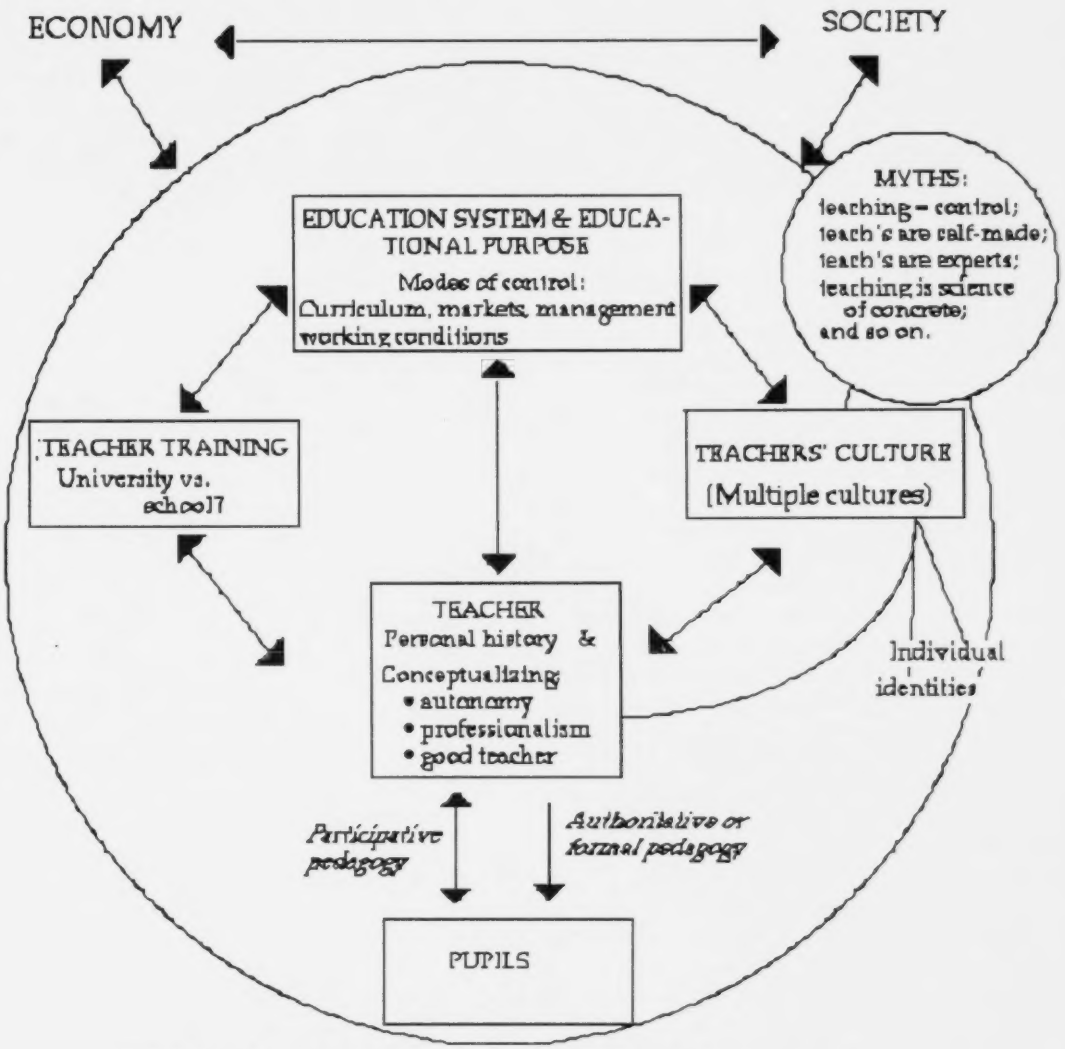

FIGURE 12: Factors influencing the construction of teachers' individual narratives.

12.3. About the process: the discourse.

The arrows in Figure 12 show the areas of intersubjectivity; that is, the areas where discourses between individual human agencies but also between human agents and institutions shape individual and institutional narratives. In this section we will argue that this discourse does not always follow democratic procedures in the sense that Habermas (1972) has in mind when he talks about the ideal-type intersubjectivity captured in his notion of *ideal speech situation* (ISS). By ideal speech situation Habermas means a "complete symmetry in the distribution of assertion and disputation, revelation and hiding, prescription and following among the partners in communication" (Habermas, 1972: 143). ISS is, of course, only a theoretical construct and we would not expect its conditions to prevail in the actual speech situations. Yet even as an ideal-typical notion, ISS carries

within itself a claim to the normative truth of freedom and social justice, as expressed in the defining principles of symmetrical intersubjectivity:

> [no] matter how the intersubjectivity of mutual understanding may be deformed, the design of an ideal speech situation is necessarily implied with the structure of potential speech; for every speech, even that of intentional deception, is oriented towards the idea of truth. ... [towards] a consensus achieved in unrestrained and universal discourse (Op. cit.).

In our analysis of discourse, proximity to ISS serves to indicate the degree of authenticity involved in the construction of individual narratives, it being understood, at the same time, that such conditions can never become transparent in the sense of providing some absolute measure for gauging the genuineness of the narrative itself (Fay, 1987). For our purpose, nevertheless, the concept of ISS will indicate conditions under which speech situations might either encourage or discourage the construction of authentic narratives.

With respect to teachers' narratives, we argue that teachers do not generally tend to negotiate their individual narratives as equal partners, but rather tend to plot their narratives along a trajectory delineated for them by much larger struggles between economic and social interests. In this respect, too, Foucault's (1980) analysis of the role of power, language, and knowledge in delimiting what might be true and legitimate, and what might not, is useful. Thus, for example, the post-Fordist/neo-liberal program has succeeded in privileging financially powerful interests such as global capitalist agencies, banking and financial institutions, multinational corporations, and various domestic business interests to steer national educational policies towards vocationalism, two-tier educational markets, privatization, and, most importantly, towards making schooling a critique-free annex to the industrial sector (cf. Giroux, 1988). Furthermore, Stockley (1993) shows how in higher education, the principles of private property and corporate managerialism have helped subsume the work of universities (including Faculties of Education and other teacher training institutions) by capitalist interests in that the production of knowledge is being progressively steered in the direction of serving the process of capital accumulation. And writing about New Zealand's educational reform, Grace (1989) shows how the Treasury's corporatist language reduced educational possibilities in that country to extremely narrow instrumental goals of *inputs*, *outputs*, and *production functions*.

In plotting their narratives, teachers then face an unenviable task. This is especially so today, as the post-Fordist/neo-liberal regime of truth performs the work of anti-democratic discourse, interpellating (see Althusser, 1972), so to speak, teachers identities for them. As Stuart Hall argues:

> ideological discourses themselves constitute us as subjects for discourse.... [Interpellation] suggests that we are hailed or summoned by the ideologies which recruit us as their "authors", their essential subjects (Hall, 1985: 102).

Theoretically, our treatment of discourse follows that of Habermas (1972, 1984). In this respect it also follows the critical neo-Marxist tradition It combines Gramsci's (1987) emphasis on *hegemony* and the role played by hegemonic blocs[108], Laclau and Mouffe's (1985) concept of hegemonic suture[109] when it comes to negotiating individual teachers'

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[108]In the scheme of discursive practices, a historic or hegemonic bloc signifies a certain *regularity in dispersion* (Laclau and Mouffe, 1985:136), which constitutes the link between fractions which are indispensable to the accumulation strategy.

[109]The concept of suture presupposes that a subject is produced or formed through an ever ending chain of social (hegemonic) discourse. It presumes a non-correspondence or difference between the subject and the other. This non-correspondence can never become a total correspondence. Suture then names the relation of the subject to the chain of its discourse; it names the available space within the identity, which always remains incomplete, and at the same time it names the *filling in* of that mental space (Laclau and Mouffe, 1985:88f).

narratives, and neostructuralism which is concerned with global processes of discursive transformation occurring at many different levels of the world economic system (Palan and Gills, 1994). However, in this section our focus will remain on teachers' narratives, even though the global economic system will provide a tacit backdrop for our discussion.

Figure 12 schematizes further the critical areas where teachers' individual as well as collective understanding of their role in education can be manipulated and influenced. By the same token, of course, these are the areas where critical/progressive cultural identities of teachers might come into being.

Figure 12 also shows a complex interaction between multiple influences that contribute to the construction of teachers' narratives. It also shows that these influences are mediated discursively. Let us remind ourselves that at the center of these agencies, institutions, or systems are human beings, with their own life histories, lifeworlds, and individual narratives. To the extent that the tension between the various parts of the society is discursively mediated, there is then no theoretically identifiable difference between the way teachers interact with their students, with each other, or with educational authorities. We might then hypothesize that the field of intersubjective pedagogy corresponds, in a formative sense, to the way education policy is produced. That is, there are intersubjective fields and tensions between the educational establishment, teachers, society (as a collective of individual lifeworlds), and the economy (as a collective of individual capitalists and investors). If the intersubjective field of pedagogy can be dominated either by participative or by authoritative (i.e., directive teaching) methods, so can the other discursive fields be dominated by either negotiating or participative procedures, on the one hand, or authoritative or top-down approaches, on the other.

What is at issue here is what we have come to know as democratic procedures implicated in the construction of our collective identities. Progressive education has always aimed at installing the virtues of democratic discourse in our children in the hope that these future citizens will carry those virtues into their adult social and workplace lives, whether they be managers, politicians, or collective workers. Given the constraining, economically underpinned power structures which dominate our capitalist society, schooling for democracy represents just about the only hope our civilization might have to bring about a decent and equitable society, perhaps, in some distant future. Our key point is that the emergence of post-Fordism/neo-liberalism is radically detrimental to the project of democratization in our society, in the way we are governed and in the way our workplaces are organized. Furthermore, the neo-liberal educational agenda even aims at de-democratizing our pedagogies (i.e., by structural privileging of directive teaching) and thus practically proposes to unmake the efforts of progressive educators over the last sixty or so years.

Discourse and the discourse rules that mediate the interaction between individual lifeworlds in the field of intersubjectivity is then crucial to the construction of individual teachers' narratives. So far we have identified the tension between authoritative and internally persuasive dialogue (Britzman, 1991) as one of the determinants of how teachers' narratives are constructed. The former has essentially a monological character, and in the context of teacher/educational-authority dialogue it serves the purpose of controlling colonization over teachers' live worlds precisely because teachers' own culture is not allowed to enter into the dialogue. But if the monological model of "intersubjectivity" is what the teacher has learned in his/her own schooling, at the teacher training institution, and in the place of work, then the teacher will most likely follow the same "discursive" pattern in dealing with the students.

Such teaching describes a simple factory model of learning (Britzman, 1991), where teaching stands for pouring in the facts and the students pouring them back. Freire (1990) describes the same as a banking concept of education. Whether we conceptualize this sort of schooling as a factory or a banking model, we cannot fail to see that the child's participation in the construction of his/her own narrative is minimal. The child, in fact, is encouraged to grow up not in his/her own image, but in the image of those human agents

(external to the educational system) who happened to have the most powerful influence on the formulation of educational curricula. And to the extent that teachers themselves have been excluded from designing curricula for their students, they, too, learn to become teachers in someone else's image.

The problem is that the separation of conception of curricula and their execution encourages a wrong type of pedagogy, which typically consists of information dissemination, monitoring, testing, and so on. Haberman (1994:17-18) lists 14 of these *basic acts* under the heading of "pedagogy of poverty". In this respect, he makes two important points. Firstly, teaching basics is not intrinsically impoverishing, but rather tends to produce the effect of impoverished learning experience by a systematic exclusion of other learning opportunities and other teaching strategies. This process of exclusion has already been well documented. For example, the *Trying to Teach* (1993) document produced by the Alberta Teachers Association, or the *Good Teachers Make Good Schools* (1990) document produced by the Western Australian Ministry of Education both indicate how the emphasis especially on standardized testing tends to *shackle* curriculum and pedagogies to the purpose of testing, forcing teachers to neglect areas vital for developing the *whole person.* Dale (1982) describes the constraining nature of such teaching as *regulated autonomy*, while Fritzell (1987) defines it as *negative correspondence*. The former emphasizes what teachers may do, the latter what they are not allowed to do.

Second, and equally important, is the point that the pedagogy of poverty affects not only what teachers do and what students expect, but also what parents, the community, and the general public assume teaching to be. We can then now clearly see the strategic thinking behind the press for greater parental choice--namely, should teachers still be able to resist the push towards the pedagogy of poverty, parental pressure would work to make sure that they do!

And to the extent that the pedagogy of poverty might be officially sponsored by Education Ministries, as appears to be the case in Alberta where the Progressive Conservative government constitutionalized the principle of adequate or basic education, the combined effects of hidden pedagogy (Denscombe, 1982, this notion will be discussed below) and pedagogy of poverty would further encourage teachers, and especially beginning teachers, to construct their narratives in those terms.

Haberman also offers an illuminating list of personal characteristics of those human agents to whom the pedagogy of poverty might appeal. These include those who didn't do well in school, those who rely on common sense, bigots, people with limited vision, and people ignorant of pedagogical options. We might like to note, perhaps even cheerfully, that most of these characteristics apply equally well to the New Right's religious bigotry, post-Fordist industrial trainers' arrogant privileging of vocational competencies, and the neo-liberal reliance on *common sense*. Indeed, to laugh at these caricatures of our political and industrial leaders could be fun if only the consequences for our societies were not so tragic (cf. Callahan, 1962: 244).

It might be easy to leave the issue of monological determinism there, in a sort of postmodern field of indifference. To see it simply as one of many language games (Lyotard, 1989), having no further or deeper social significance. Yet, even by Lyotard's postmodern standards, monological determinism--or the practice of exclusion (e.g., of teachers) from a language game (such as education policy making)--is an act of naked terrorism (Ibid.: 63). But the postmodern perspective has no theoretical defence against such terrorism other than persisting to find a way around the exclusion. This, unfortunately, is doubly difficult as the neo-liberal/post-Fordist language game is organized along the trajectory of global financial power. Thus it requires appropriate business credentials of anyone wanting to join in the game, on the one hand and, on the other, it is well protected by corporatist double-speak, where social justice and equity necessarily imply a co-existence of extreme wealth and extreme poverty and where children have become inputs and graduates outputs, while the teaching/learning process is no more than a production process.

We are, nevertheless, in agreement with Aronowitz and Giroux (1991) who claim that a postmodern perspective might extend and broaden the field of social and educational possibilities. Yet, as Harvey (1993) points out, postmodernist politics tend to be tied down to regional struggles that are easily dominated by the power of capital which tends to scheme freely across global space. If we are then to marshal any regional resistance to globally orchestrated national educational policies we need to begin to develop a *universal discourse* (Yeatnam, 1994), even though such a discourse might in the first instance emerge from local struggles. In other words, a regional struggle for self-identity always has inscribed within itself universal standards of justice which makes it a legitimate universal struggle. At the same time, positioning our struggles for self-identity and our individual and collective narratives at a global level, while making such universal criteria explicit, will make it possible for them to begin to intersect with corporate boardrooms and capitalist headquarters in Paris, Tokyo, London, and other financial centers that appear to manage the global, post-Fordist system of economic production and social reproduction.

For teachers this means that they must resist the push to individualize and privatize their narratives. The immediate areas of concerns are Initial Teacher Training (ITT) and the individualized contracting of teachers' labour. As Seddon (1991) observes in the Australian context, reducing teacher education to a *sound subject knowledge* (see Ebbeck, 1991, Lawlor, 1990, and, for a critical commentary, Whitty, 1994) will leave teachers "with no study of the social and historical context and limited opportunity for free inquiry or contact with other educational workers" (Ibid., 1991: 11). And here we might be excused should we be tempted to think that there is a discrete manipulative purpose behind the radical proposal for ITT restructuring as represented, for example, by the two documents we have mentioned above. In fact, as Whitty (1994) notes, some ultra-right reformists actually claim that sociology of education is harmful to teacher training. Their strategy[110] is to phase out anything that might be ideologically suspect. Of course, without sociology of education, philosophy of education and a study of its history, teachers would have no meaningful way of making connections between routinization and proletarianization of their labour, atomization of their profession, degradation of their working conditions and, in the final analysis, the impoverished education delivered to students in their charge. We would argue that this is precisely the reason behind taking teacher training out of universities and placing it under the direct responsibility of schools. Such a move might offer practicing teachers a bigger say in the professional preparation of beginning teachers, but in the long run it also threatens to undermine their professional standing, as their teaching qualifications would no longer be associated with the traditional university route other professions require. Atomized as a profession and deprived of their collective voice (cf., the JIT system under Toyotism), teachers employed on the basis of individual labour contracts, as they are already in many English schools (Ball, 1990), would be easily steered into constructing ideologically innocuous narratives.

There are two final points we wish to make about the discursive construction of teachers' narratives: the tension between individual and collective lifeworld interests needs to be mediated in some way and the level of sophistication brought into the discourse needs to be increased rather than reduced.

Firstly, an unmediated intersubjectivity might be all right in an ideal speech situation; however, in an antagonistic and inequitable society such as ours, unhindered pursuit of self-interest (Smith, 1937, 1966) cannot but result in an inequitable and psychologically unhealthy society.[111] This is so especially today as the zero-sum game is threatening to

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[110]E.g., Centre for Policy Studies, the Adam Smith Institute, the Hillgate Group, in the UK, or the Fraser Institute and C.D. Howe Institute in Canada, and similar New Right think-tanks in Australia, New Zealand and the USA.

[111]The psychological instability and absence of social cohesion (see also Freud, 1991a and b) resulting from what Durkheim (1969) has described as *anomic* and *forced division of labour* became for Durkheim manifest in an increased rate of suicides. In our own time, it results in broken marriages, violence, poverty,

become a routine practice in both the reproduction of life-chances for our children and the distribution of global wealth. The evidence of increased concentration of financial power in the hands of a shrinking number of giant multinational corporations and of dramatically increasing polarization of our global communities is overwhelming (see Crough, Wheelwright, and Wilshire, 1981, Wolff, 1987, Wheelwright, 1990, Reich, 1991, Eaton and Stilwell, 1992). Yet national governments would appear to be withdrawing from their traditional role of mediating the struggles for presently decreasing national resources, leaving the playing field heavily stacked in favour of giant commercial corporations. This gap left by the "vanishing" state needs to be filled by some other protective buffer.

Here we partially agree with Kern and Schumann (1984b, 1987) that the trade union movement needs to adopt a unified and more aggressive policy to seize the initiative in redesigning the technical relations in production. But, at the same time, as Campbell (1989: 270), drawing on Bispinck (1987), critically observes, "the obstacles to development and coordination of a more aggressive policy appear formidable" as this requires gaining necessary knowledge and skillful organizing of all affected workers. The problem with Kern and Schumann's limited strategy is that they are concerned chiefly with the core workers. In our view, their tactic needs to be broadened to incorporate all levels of organized and unorganized labour force. In fact, it needs to involve the whole society as in, for example, the Kalmarian model of negotiated settlements. And, furthermore, it needs to adopt a universalistic discourse "where difference is positively valued in relation to universal standards of justice" (Yeatman, 1994: 253). These observations must inescapably have implications for the way teachers in Alberta, Ontario, Western Australia, England, Auckland, or New York construct their narratives. Specifically, they need to not only adopt a more aggressive stand vis-a-vis local neo-liberal governments, but they need to involve in their struggles local communities, and they must develop networks that would link them with other blue- or white-collar workers across national boundaries (see Soucek and Pannu, 1996). In other words, their narratives need to be radicalized.

At the same time, obviously the state has not really vanished. In fact, as Cerny (1991, 1994), and Burchell (1994) argue, the governmental techniques have simply changed in order to realign the state's role with the needs of the global capitalist enterprise. And as Reich (1991) rightly observes, while the national state has lost its clout vis-a-vis global capital, at the same time it has increased its power over domestic political processes (Whitaker, 1987). Robertson and Dale (1996) conceptualize this development as *resiting* of the state under the conditions of a new geo-political space.

This seeming contradiction of a small but powerful state is, in fact, at the bottom of the neo-liberal style of governance, and can best be described in terms of Torres' (1989) analysis of the changing rules of public policy formation. Torres (Ibid.: 86) defines the post-Fordist/neo-liberal state as a "pact of domination and as a self-regulating administrative system." In this scenario, the process of public policy formation is determined by a selective interest-representation of the so-called *stakeholders* in the economy (i.e., powerful corporate interests) which, according to Triado (1984), inevitably excludes consideration of the vital lifeworld interests of all who do not fall into the orbit of those powerful hegemonic interests.

Within the context of our present discussion, the increasing emphasis in education policy on school self-management (see Smyth, 1993) has direct consequences for the way teachers might be able to counteract the emerging trend towards two-tier education (Ball, Bowe, Gewirtz, 1995, Lauder, 1990, and Lauder et al., 1995) precisely because schools and educational workers are placed in a position where they struggle with and have to construct their institutional and individual narratives in a direct confrontation with market

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increased discrimination and racism, drug and alcohol abuse, and, most tragically, in the loss of an entire generation of our children (Daniel and Cornwall, 1993). In our analysis we describe this phenomenon as a structurally induced *egological incompetence*, which further promotes *social* and *moral* incompetence (cf., Habermas, 1970, 1979).

forces. But these market forces are, in fact, illusory and cannot be directly confronted because what drives them has no specific location in place or time. Yet, by the same token, these market forces feed into parental anxieties and make parents vulnerable to any "barmy theory" (Smith, 1992: 387) which professes to make their children employable. And in this sense, the ideology of parental choice in schooling is a furtive strategy which, even though ostensibly promoting parental empowerment, has a sinister sub-plot, which is to deny teachers a critical input into what is pedagogically desirable. The market forces also feed into minds of politicians and faceless bureaucrats who are concerned with quick fixes and who, in any case, from their *limited* perspective largely based on deficit elimination under the watchful eye[112] of private self-interest of the capitalist class, would appear to have limited options to choose from. The point is that the schools' institutional lifeworld (including other educationalists) is being cut off from the debate about what constitutes the desirable educational goals and practices.

Furthermore, even when educationalists might be invited to educational forums such as the Educational Roundtables in Alberta, or to participate in the production of major educational policy proposals such as *The Australian Vocational Certificate Training System* (1992), they are not necessarily guaranteed an equal say in this overtly economized education debate. The current trend towards marketizing education will inevitably put teachers in a subordinate position vis-a-vis market forces. Should that trend be allowed to continue, this would almost certainly produce, among other things, continued and increasing domination of schooling by private economic interests while, concurrently, teachers' individual identities already shaped by market pressures would work to further the process of commodification of the lifeworlds of their students. Teachers might be reluctant to admit this, but because their work has now been greatly intensified and their performance is consistently monitored against their students' results in tests that measure predominantly basic educational standards which characteristically exclude more complex knowledge in the areas of critical and autonomous moral or social learning, they will be increasingly excluded from playing any part in developing the whole person dimension in their students. For, as Vigotskii (1962) argues, to make curriculum socially meaningful, a child needs the teacher to explain and mediate his/her learning experiences.

As we have seen, the problematic of constructing teachers' narratives is by no means a simple matter of developing a sound subject knowledge. Subject knowledge, of course, is important. But, at the same time that subject knowledge needs to be informed by a broader understanding of our individual roles in the emerging global system of economic production and social reproduction. And this brings us to our second point.

We have argued that, in constructing their individual narratives, teachers need to develop a collective voice which also needs to be re-positioned within a global, strategic social action in order to be able to promote the principles of universal justice. That process, nevertheless, needs to begin with individual teachers. As Deborah Britzman (1991) notes, becoming a teacher also involves the process of becoming a person. Becoming a teacher then does not mean becoming the static product of an assembly line. Teachers' minds and professional capacity are continuously being shaped by the dynamic of social practice, social structures, and history. In Figure 12 we showed the multiple forces that affect teachers' individual narratives. These include economic demands, social perception of teaching and schooling, teacher training institutions, and the teachers' multiple cultures themselves. These forces, too, are undergoing constant change, a change which is not always beneficial for the society as a whole. Because of their strategically unique positioning in the process of social reproduction, teachers, more than any other workers, shoulder a larger social responsibility since it is their work that lays the *practical foundations* for their students' adult participation in shaping and reshaping our world. To

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[112]Foucault's (1980, 1987) image of Panopticon is illuminating in this context, even though we will need to substitute the watchful eye of fiscal austerity for that of the chief inspector who watches over the prisoners from the central tower.

be able to mediate the often contradictory demands on their work they need to be most of all autonomous thinkers. That is, the way they carry out their professional responsibilities should be determined by their professional judgment within the context of each specific pedagogical situation, and not by the pragmatic and instrumental imagery concocted in the boardrooms of commercial enterprises. Teachers also need to be socially and morally mature persons. And they also need a sound knowledge of their subject matter. All of these are important, and none can be privileged over the others. Perhaps, this is asking too much. Yet in their struggles for intellectual autonomy they could be helped. At least in part, such help might come in the form of teacher-training courses which would provide them with analytical tools to help them interpret the fast-changing social reality around them. And it is for this reason that educational theory "needs to be allowed to flourish, to develop in an autonomous and self-critical fashion" (Smith, 1992:394). Yet this is not solely a question about teachers' rights or entitlements. What we must understand is that teachers are entitled to such understanding not only for their own sake, but also for the sake of future generations. In this sense, the onus and responsibility for the material conditions that mediate teachers' construction of their individual and collective narratives rest also with the broader society. For, in the final analysis, teachers can do only as much as the structures which underpin the process of social and cultural reproduction allow them. In other words, their *narratives* are, at least in part, written for them by the larger struggles outside the classroom. In this section we have spoken at length about teachers' narratives. But what exactly do we mean by a narrative? It is to this question that we now turn.

12.4. Defining the narrative.

What can we know about teachers's narratives? At a most general level, teachers' narratives are understood in terms of a "basic setting-complication-resolution structure" (Nespor and Barylske, 1991). They are stories teachers construct to help them make sense of their own life and of their work. As such they require a certain degree of narrative unity, and in this sense the narrative oriented research clearly draws on the Aristotelian notion of the unity of plot, place, and time. Yet given our incomplete understanding of how teachers, and people in general, construct their stories or know what they know, the presumed narrative unity binding those stories together might be problematic. For as some researchers (for example, Nespor and Barylske, 1991) argue, narratives are technologies of representation, and their sophistication and completeness depends largely on the relative size of the network (e.g., teachers' culture) and the richness of accumulated knowledge within the context in which they are constructed. This suggests two possible problems with the claim of narrative unity and with the emphasis on the cognitive aspect of the construction of narratives. First, it is likely that individual representations do not add up to a unified narrative and, consequently, the gaps between various representational blocks might be filled in arbitrarily. Second, given the importance attached to teachers' culture (Olson, 1988) and, furthermore, taking into account physical, working conditions under which teachers create their narratives, it might be conceivable to argue that at least in part teachers' narratives are embedded in teachers' bodies and thus represent also somatic knowledge (Fay, 1987).

Furthermore, Nespor and Barylske conceptualize teachers' narratives not as a reflective reconstruction of knowledge or experience but rather as tools for constructing knowledge. We might accept that the narratives themselves serve to provide a ready-made sense of understanding in various teaching/learning contexts. Barnes' (1992) notion of teachers' *interpretive frames* would support this claim. By interpretive frames Barnes means a repertoire of strategies through which teachers perceive and execute their professional task. Hatton's (1988) concept of *bricolage*, borrowed from Levi-Strauss (1974), also fits in here. By bricolage is meant a "limited bag of tricks" (Ibid.: 340)

developed by teachers to help them cope with the tasks at hand. The impression we are left with, then, is that teachers' stories are more or less *ad hoc* constructions, created by them on the basis of practical demands of their work and enculturation through their personal interaction with specific teaching cultures. This might be true to some extent. But what are we then to make of Britzman's (1991) claim that to become a teacher means to become a person?

The process of construction of teachers' narratives is clearly fraught with many problems. One question is about who should be constructing the narrative, the researcher or the teacher? Or, alternatively, to what extent can teachers' narratives become public? It is for this reason that the literature dealing with teachers' narratives is broadly divided into two types of research. One focuses on the area of (1) teachers' personal practical knowledge, the other on the (2) methodology of accessing that knowledge.

(1) With respect to the former, Clandinin and Connelly (1987) offer a comprehensive survey of research in this area. Interestingly, they note that even though the terminology involved in conceptualizing teachers' personal practical knowledge suggests a wide variety of approaches, there is, in fact, "comonality in how researchers conceive of the personal in inquiry" (Ibid.: 488). Specifically, they identify two basic ways of defining the problem of teachers' knowledge: focusing on particular content aspect of knowledge and accounting for action in terms of teachers' thought or, in other words, trying to understand why curricula might be differently implemented by individual teachers. The second point they make is that the research indicates three general ways of how we might imagine the composition of teacher thought: as practical actions, biographical history, and thought in isolation from action and biographical history. Finally, they argue that most studies tend to overemphasize the cognitive aspect of teacher thought (cf., Olson, 1988).

In contrast, they suggest that aesthetic, moral, and emotional states of mind co-exist with the cognitive processes of mind and for that reason need to be included in the analysis of what constitutes teachers' knowledge. In this respect alone, their research represents a more exciting strain in the otherwise very narrowly conceived field of inquiry. Certainly, their suggestion that individual narratives need to be treated as dialectically and intersubjectively constructed does open new possibilities for positioning teachers at the center of ideological crossfire, so to speak. If that is the case, then we can no longer be justified in treating teachers in the isolation of their classrooms. Furthermore, to the extent that teachers are not just technicians delivering externally determined curricula through methods imposed on them by sheer exigencies of what is physically possible, their minds and their individual narratives are more than likely to become a target for diversified ideological purposes. These might include the New Right push for back-to-basics and fundamental Christian values education, the post-Fordist trainers concerned with generic skills and attitudinal disposition inured to neo-Taylorist flexibility, plain unadulterated market liberalism, or even progressive education which still might lurk in a few forgotten vestiges in our universities. Our point, nevertheless, is that teachers' narratives are in a constant process of change and that such change comes not only from purely educational research but also through a conflict-ridden political process which works on teachers through ideological interpellation (e.g., their careers are often dependent on having a *politically correct* view [see, for example, Robertson and Soucek, 1991]) and also more insidiously through structural constraints. This is what we mean by "being at the center of an ideological crossfire."

Yet there is one another dimension that characterizes teachers' struggles in defining their narratives. This dimension is faintly suggested by Clandinin and Connelly's introduction of aesthetic, moral, and affective domains into the debate. To take the debate one step further, we might conceive of teachers' narratives as a process unraveling along the ideal speech continuum, where an "equilibrated interplay of the cognitive with the moral and the aesthetic-practical" (Op. cit.) constantly engages in a battle with structural obstacles to their pursuit of ISS in both the construction of their own narratives and in their practical pedagogical activity, one influencing the other, so to speak. We can thus see the importance

of structuration (Giddens, 1984) of teachers' pedagogical practices. Such structuration either enables or inhibits the progressive, self-actualizing development in the way teachers might construct or reconstruct their understanding of what it is to be a good teacher.

We thus basically do not disagree with Clandinin and Connelly's analysis. However, if we make the further provision to integrate in their analysis the notion that to become a teacher means also to become a person, in the sense that becoming a teacher is a continuous and coextensive process with that of becoming a human being in the humanist sense (see also Habermas [1979] on communicative competence and intellectual autonomy), we might then begin to imagine teachers' knowledge as a phenomenon that integrates what Habermas (1972) defines as *technical, practical and emancipatory* knowledge. We have discussed these in detail in Chapter 11. Here we wish to note specific categorical similarities between categories identified by Habermas and those identified by Clandinin and Connelly: (i) technical knowledge and the cognitive domain of teacher thought, (ii) practical knowledge and practical action, and (iii) emancipatory knowledge and biographical history.

The technical knowledge aspect of teacher thought is purely instrumental and involves a selection and, to some extent, application of suitable learning opportunities for achieving specific learning outcomes. It might also involve certain aspects of curricular content. The outcomes themselves, however, especially in relation to the individual students, cannot be determined in purely technical terms. In other words, we would argue that behavioural objectives which tend to specify learning outcomes in technical terms cannot capture the whole dimension and complexity of learning outcomes. These need to be constituted through *practical* negotiation between the teacher and the student, whereby the student is encouraged to participate in setting the problem level of the learning task at hand (Miller, 1986, Young, 1990) and to contribute, at least in some measure, in setting the context of a moral or social problem that might be discussed. Such learning outcomes are relevant especially to the moral and social development of the child. They cannot be accommodated by an authoritative or purely technical approach.

Such pedagogical orientation also broaches on the terrain of emancipatory knowledge, as it is concerned with extending the student's moral and social appreciation of fundamental social relationships which need to include, in the final analysis, the consideration of the principles of justice and equality among human beings. Because emancipatory development can neither be guided through technical means nor assessed through standardized testing because it occurs through the internal struggles of the learner to accommodate often contradictory interests, it necessarily involves practical and emancipatory knowledge and competence on the part of the teacher. It is for this reason that we consider these categories of knowledge as necessary aspects of teacher thought.

Conversely, their absence in the area of teacher knowledge might indicate pedagogical poverty (Haberman, 1994) on the part of the teacher. Indeed, as we have seen, Haberman's description of the pedagogy of poverty emphasizes, apart from purely technical activities of textbook instruction, testing, monitoring and so on, also the elements of dependence and passivity on the part of the learner, and authoritarian pedagogy on the part of the teacher.

In this sense, too, with respect to the educational basics or minimum provision in our public education which today is institutionalized as a maximum entitlement (see, for example, ACR, 1991, Laghi and Moysa, 1995, Tooley, 1995), the current policy developments not only represent but celebrate the pedagogy of poverty even though such celebration might contradict the official hegemonic discourse rhetorically centred on educational excellence. In the context of our present discussion, the basics movement will have implications for how "good teaching" is officially defined, it being understood that by *official knowledge* we are not referring to a one-sided process of policy determination but rather to a historically specific political process (Apple, 1993). Furthermore, to the extent such an official view becomes embedded in the public mind and even changes the focus of teacher training programs, it will inescapably affect the way begining teachers especially construct their own understanding of what it means to be a good teacher.

(2) The second major area of research dealing with teachers' personal practical knowledge is concerned with the methodology of accessing that knowledge. Genealogically, the methodology of *collaborative research* in education, underpinned by *ethics of participation* and based on the *notion of negotiation* of teaches' narratives, derives partly from the ethnomethodology of Harold Garfinkel (1968) (see also Fay, 1975, Dale, 1973) and partly from humanistic psychology of Carl Rogers. From the former it has gained an understanding that a subjective world of the teacher can only be accessed through a detailed study of his or her everyday life. Here the observed empirical data are treated as phenomena in their own right. This approach is concerned to learn how teachers order and make sense of their everyday activities and how these phenomena are made communicable to others. This basic ethnomethodological approach is complemented by the notion of *teacher as researcher* (Stenhouse, 1975), whereby teachers undertake a "systematic, intentional inquiry... about their own school and classroom work" (Lytle and Cochran-Smith, 1990).

At the same time it brings into play Rogers' notion of *unconditional positive regard.* An illustrative example of this blend of methodologies is Lauden's (1991) study of a classroom teacher.

In general, ethnomethodologically-oriented educational researchers who seek to reconstruct teachers' narratives by a special method called *empathy* hope to relive the lives of teachers and thus claim a privileged access to teaching acts that needed explanation. Giddens (1984) called this type of knowledge *mutual knowledge*. Giddens gave such knowledge the status of factual or objective truth in the sense that this knowledgeability was not corrigible in the light of research findings (1984: 336).

Fay (1975), however, identifies four problem areas in the interpretive approach which need to be addressed. He argues that it: (i) ignores the conditions which give rise to teachers' actions and believes, (ii) neglects the explanations of unintended consequences of actions, (iii) provides no analytical tools for understanding structural conflict within a society, and (iv) is not able to explain historical change.

The objections raised by Fay have, at least in part, been addressed by the theoretical work of Jurgen Habermas (1970, 1979, 1984). The formal-pragmatic approach of his theory of communicative competence introduces analytical elements (e.g., particular and universalistic components of speaker's foreknowledge, or dialogue-constitutive universals) into the interpretative process and thus partially mitigates its situational character. Yet Habermas, too, recognizes its limits and argues that any interpretation can be theoretically grounded only to the extent that both the researcher and the teacher might agree on a common understanding of the context of the construction of his/her narrative (Cf., McCarthy, 1978: 357).

At the level of practical research, *Action Research* (see, for example, Carr and Kemmis, 1986) had taken on board Habermas' insights developed in his theory of universal pragmatics, ideal speech situation, and systematically distorted communication. Here it was no longer considered sufficient to plot personal biographies in the isolation of one's classroom. The researchers encouraged teachers to confront those conditions of their practice that in some way restricted or limited their professional commitment to their students' intellectual and personal development (Carr and Kemmis, 1986, Tripp, 1993, Smyth, 1992). The specific targets in this research were not only to improve one's own teaching practice within the limits imposed by the educational system (as in Bartell, 1990, or National Project on Quality of Teaching and Learning [NPQTL], 1991, for example), but also to identify specific structural constraints (e.g., production and availability of teaching materials, leadership and participation issues, staffing, examinations, and so on). Teachers were encouraged to relate their practices to their beliefs, values and assumptions, to ask where the dominant ideas came from and whose purpose or power-interests those ideas represent, and to identify what constrains their views of what is possible in teaching (Smyth, 1992). Or, to put it another way, whose interests are being served by the present institutionalization of the poverty of teaching?

In a Habermasian sense, these developments have contributed to the conception of what we might call a reconstructive science (McCarthy, 1978). As we noted, reconstructive science helps identify the structural impediments to teaching. To complete our journey into the area of reconstructing teachers' narratives in the way suggested by a reconstructive science, we also need to look more specifically at those experiences and tensions in teachers' lives which precede their classroom experience as teachers. But we also need to look at the professional culture of teaching itself, as it is at least in part teachers' own culture which is responsible for the unique vulnerability of teaching as a profession.

Denscombe (1982) describes this vulnerability in terms of *hidden pedagogy*. This concept is important to our own thesis as we will argue that the neo-liberal attack on education has quite skillfully managed to circumvent the need to become overtly dictatorial in order to achieve a differentiation of educational outcomes deemed desirable by the emerging post-Fordist/neo-liberal regime of accumulation. Instead, the neo-liberal strategy is aimed at achieving post-Fordist educational outcomes by altering the structural and ideological context of educational labour in a way that exploits the cultural vulnerability of the teaching profession. This will be the subject of the next section.

The act of constructing teachers' narratives then is an open-ended process. It involves teachers' own struggles for cognitive, social, and moral competence (cf., Habermas, 1979) on a political terrain broadly delimited by historically specific struggles between various antagonistic social interests. But, at the same time, aspiring teachers come to teacher training institutions already laden with beliefs, understanding, and expectations of what teaching is all about. They gain these expectations in the process of their own schooling. In this sense, for teachers their preparation starts with their own experience as pupils. And to the extent that there might be a continuity or discontinuity of experience in terms of participative or authoritarian pedagogy experience during their schooling years, as a trainee teacher, and as a practicing teacher, we might begin to grasp the subtle intricacies involved in the construction of their narrative as professional workers.

12.5. Teachers' personal histories and their collective culture.

In this section we wish to continue with our discussion of the influences which affect teachers' construction of their individual narratives. Our focus will, however, shift to the problematic of relating this process to the current attempts at a functional and structural realignment of schooling with the post-Fordist labour market and the neo-liberal style of governance.

So far in our discussion we have been able to identify two factors which have been instrumental in achieving such changes. These were the institutionalization of a national but differentiated curriculum and standardized testing, and the restructuring of educational systems along the lines of industrial, profit-centered enterprises. The former was to ensure the elimination of those aspects in school curricula that might have been in some way critical or functionally contradictory to the post-Fordist social relations of production and reproduction. In Fritzell's (1987) terms, the curriculum was to become *positively correlated* with the post-Fordist society. The latter refers to the introduction of the concept of a self-managing school. On the surface it had a clear function of introducing a fiscal austerity regime into the provision of schooling. However, it also promoted and legitimated the increasingly inequitable provision of public education. At the same time we showed that the latter aimed at achieving a functional correspondence between the post-Fordist labour market and schooling outcomes by introducing market relations into parents' financial ability to acquire an additional positional advantage for their children. We have seen that, in general, marketized education serves to distribute educational opportunities along the increasingly polarized socio-economic divisions in our society.

In this chapter we will discuss the specific influences that work on teachers' perception of what it means to be an autonomous professional and what it means to be a good teacher.

Because we have already found the current neo-liberal educational agenda to be detrimental to the project of progressive education and, in a broader context, to the project of humankind, our discussion will be critical of these developments. In this we will specifically focus on the way neo-liberal reformers are attempting to penetrate into the classroom in order to alter teachers' perceptions of how they understand the role of the teacher. We will begin by a discussion of how the concept of professionalism has undergone a radical transformation. We will further identify specific experiential areas which affect teachers' construction of individual narratives.

An important point has been made by many commentators (e.g., Denscombe, 1982, Angus, 1987, OECD, 1989c) about the difficulties associated with making teachers comply with the expectations raised by the educational authorities. OECD (1989c), for example, evokes in this respect the syndrome of the *black box* and argues that what happens inside the classroom needs to be made transparent. This tension between official educational policy, as articulated through the curriculum and institutional structures, on the one hand, and the freedom for teachers to teach according to their professional beliefs and commitments, on the other, has been conceptualized by Derber (1982) as ideological and technical autonomy, respectively. Derber argues that, throughout the 1970, teachers have lost their ideological autonomy. But he also argues that

> a new system of labour process control in post-industrial capitalism [might] not require technical proletarianization in order to subordinate workers effectively to capitalist production.... [but] new information technologies, especially sophisticated generations of computers and microprocessors, are becoming a basis for the mechanization or routinization of professional work and the undermining of professional monopolies of knowledge (Derber, 1982: 189).

Clearly, Derber's observation has a profound bearing on what we might mean by teachers' professional autonomy. At the same time, if the official (in the sense Apple, 1993, uses the term) definition of teacher professionalism changes according to historically specific political struggles (Grace, 1985, Lawn and Ozga, 1986, Dale, 1982), teachers themselves also need to deal with these changes in whatever way they can. They can challenge the official doctrine, they can resist it, or they can accommodate it. Most likely, there will be a compromise reached between the official position and that of organized teachers' labour. But whatever that compromise might be, it will affect the way teachers view their own professional role within the context of their narratives. Let us exemplify this point.

12.6. Deconstruction and reconstruction of teachers' narratives: the case of professionalism and accountability.

Professionalism and accountability come as a pair; they are inseparable (Darling-Hammond, 1990). In a very unambiguous language, for teachers to be *accountable* to their clients implies a sense of professional duty, responsibility, or bonding with respect to the delivery of a specified service. This much is clear. What is less clear, however, are two things: who the real client is and who should define the nature of that service. These are important issues that need to be dealt with even at the risk of deviating from our key concern in this section, which is the impact of officially defined professionalism on teachers' narratives.

The issue of who the client is is an important one. There are two key indicators that would suggest that today the state in its deliberations over public education tends to

respond to the needs of employers. We have already noted the dominant position which employers and neo-liberal ideologues enjoy in terms of inputs into public education policies. Indeed, the official literature (OECD, 1989, Dawkins, 1988, AE, 1993) puts an overt emphasis on school-business partnership. The other aspect of this partnership emerges in the sense of treating school sites as places for capital accumulation (Robertson, 1995a, Apple, 1993, Palmer, 1995). In this scenario parents and students do not seem to figure very much. Ball (1990), for example, shows in his research in the UK context that the rhetoric of parental choice has never meant more than simply harnessing parental power for the purpose of achieving goals determined by business interests. This was accomplished by defining future employability in terms of basic, generic and transferable skills, and by playing on parental anxieties about the employment prospects of their own children. Consequently, we can argue that public education today has one major client--employers, while the role of parents is essentially that of pawn in the game of realigning educational outcomes with the post-Fordist labour market.

Enter the notion of accountability of teachers. We have seen that Derber's (1982) analysis showed that sometime in the late 1970s and 1980s teachers and educators in general lost their ideological autonomy in the sense of being able to affect educational policy. Teachers accountability then can be seen as accountability to the business sector and for outcomes defined in terms of employers' interests. Yet the rhetoric of professionalism persists in the official as well as in the teachers' discourse. Clearly, the notion of professionalism must have been in some way reconstructed for and by teachers. Apple's (1993) analysis might be helpful here. He notes three crucial stages in re-contextualizing the teachers' role in the process of symbolic control over educational outcomes. While in Apple's analysis the focus is on the reconstruction of official knowledge, it is equally applicable for our purpose. The three stages are: (1) repositioning the discourse, (2) modifying the content, and (3) changing the underpinning principles and purposes.

Firstly, to redefine the notion of professionalism the process needed to be taken out of the hands of those concerned, that is teachers, educationalists and researchers. The question of what constitutes teacher professionalism has been taken out of the traditional educational context and repositioned within the context of the economic and managerial values of profitability, productivity, and in a narrowly defined effectiveness and efficiency. In a political sense, this meant an empowerment of the managerial and business sectors vis-a-vis teachers and educational faculties. At the level of educational philosophy, it resulted in a radical obliteration of educational thought accumulated over centuries of educational, sociological and philosophical research and replacing a socially-oriented intellectual input into educational policy with managerial principles deeply enmeshed in economic determinism.

Secondly, and in an important way directly related to our first point, the idea of teacher professionalism has been consequently modified and re-contextualized. Darling-Hammond (1990) defines teaching professionalism in terms of three guiding principles: (i) it derives from knowledge which is based on the unique needs of clients (i.e., students); (ii) the first responsibility of the practitioner is to the client; and (iii) the teaching profession assumes a collective responsibility for defining that knowledge and for enforcement of professional standards of practice and ethics. With respect to (i), we have seen that teachers are now in a major way accountable to a different clientele. For that reason, and also because knowledge relevant to post-Fordist schooling has also been re-contextualized and modified, teacher professionalism has now come to mean the ability to impart externally determined knowledge (and skills) to satisfy the needs of employers. With respect to (ii), it would appear that teachers are now required to pledge their first concern to the welfare of firms and corporations in the sense that educational outcomes must be functional to employers' market competitiveness. With respect to (iii), teachers have lost their right to provide professional input into educational policy formation and especially to define the framework of professional standards. Their professional organizations are thus left in the unenviable position of having to enforce standards defined externally. In all, the basic

codes of professionalism have then been selectively reworked to ensure that only "appropriate" knowledge is transferred to the students and, at the same time, teachers have been made accountable for it to happen.

Thirdly, not only has the notion of professionalism been re-organized around different principles but, most importantly, it has also been employed to achieve a different purpose. This, of course, is a complex and contentious issue and we cannot do it justice here. Yet it is important in this instance that we position the discourse on professionalism within this broader debate. In the Australian educational discourse, for example, the modernist group, represented by the then Minister Dawkins, aimed at establishing competency-based standards for teacher training (Gonzi, Hager, Oliver, 1990). At the same time it was claimed that *appropriately* defined performance standards can effectively assess the professional competence of teachers. This is clearly a deeply problematic claim (cf., Messick, 1984, Norris, 1991, Soucek, 1994). As we discussed earlier, the point is that competence and performance are not the same. Wood and Power (1987: 414), for example, define competence in terms of integrated deep structure of knowledge. There is no way that an observed performance alone can indicate the presence of this deep integrated structure of knowledge and understanding. Yet the real problem is not so much the assessment but rather what and how trainee teachers might be taught, especially as the implication in the competency rhetoric is that teachers should be trained through performance alone (Lawlor, 1990, Hillgate Group, 1989). Should that view prevail, teachers' professional capacity to attend to the unique needs of students in their charge might be greatly jeopardized.

Yet in another thematically related document, the new Australian Federal Minister of Education, Kim Beazly, claims that competency-based training will produce teachers who "exercise greater professional judgment" (Beazly, 1993: 4). This is at the time when the Mayer Committee (1992a and b) has produced a list of key competencies Australian schools were asked to achieve. The list is essentially a compilation of behavioural objectives, that is, a set of performances on which the students are to be deemed competent or incompetent. Yet the National Board of Employment, Education and Training (NBEET, 1992) describes such outcomes as "enterprising", "self-directed", "qualitative", "student-centered" and so on. Contrary to these claims we would argue that competence-based teacher training and schooling of our children cannot produce qualitative outcomes or educational excellence (see, for example, claims made in the Western Australian policy statement, ***Better Schools***, 1987). What we have here, in fact, is a mishmash of *barmy* theories (cf., Smith, 1992) signifying a convergence of *instructional poverty* in teacher training and *pedagogy of poverty* in schooling. Or, as Whitty (1994: 9) argues, competency-based teacher training focuses on the "development of craft skills rather than professional understanding." Hatton (1988) describes such tidbit teacher preparation as *bricolage*. By this she means that performance-based training tends to provide teachers with an *ad hoc* collection of a "fixed pool of tools" presumably on the basis of some intuitive judgment or selection. Accordingly, the bricolage approach clearly denies any complex (deep structure) understanding of the relationship between student's learning needs or behavioural difficulties and pedagogical strategies which might address the underpinning cause of those needs or difficulties. It is an approach that just addresses the surface manifestation of those needs and problems.

The post-Fordist principles of teacher professionalism are then chiefly organized around practical skills, behavioural objectives, and attitudinal disposition and strategic flexibility (NBEET, 1992). At the same time, there has been a distinct shift towards co-relating skills and attitudes of trainee teachers (including in-service training for practicing teachers) with educational outcomes in compulsory schooling (Hargreaves and Reynolds, 1989). Given that the latter are defined as labour-market-relevant behavioural skills, the educational function and purpose of both teacher training and compulsory schooling have undergone a radical change. The new concept of teacher professionalism thus serves to promote that change. Furthermore, this reorientation in teacher training is being facilitated

by de-emphasizing the role of educational theory and by celebrating the *science of the concrete* . In this sense, it also hopes to press teachers to reconstruct that part of their individual narratives which deals with their professional role in education and with the role of schooling in our capitalist societies.

Has the post-Fordist/neo-liberal agenda succeeded in making teachers actually reconstruct their role as professional workers? In some ways it has, in others it has not. In Alberta, for example, teachers are well aware that the structural changes introduced by the Klein administration have already had a detrimental impact on their professional capacity to respond to the unique needs of their students (ATA, 1993). And they understand that re-siting teacher training from faculties of education to schools as well as accrediting teachers colleges to grant professional degrees jeopardizes their professional status. Alberta teachers have responded to this challenge by mounting an extensive campaign to defend the quality of public education and their professional status (Soucek and Pannu, 1996). Yet, at the same time, evidence also suggests that at least some teachers have *bought* into the rhetoric of new professionalism based on increasing technicization of their work (see Apple, 1988, Robertson and Soucek, 1991, and also Derber, 1982).

At the heart of this change has been what Michael Apple (1988, 1993) calls a rapid growth in curricular systems (see also Carlson, 1989, 1992). These are integrated modular units based on sequential lists of behaviourally defined objectives. The Western Australian Ministry of Education, for example, introduced such a modularized curriculum in 1987. What also needs to be noted in this context is that the modularization of curriculum must invariably come hand-in-hand with the intensification of work, as it can be implemented only when teachers have no time to actually reflect on the narrow conceptualization of learning opportunities inescapably inherent in such curricular systems. Under the increasing pressure of intensified work, teachers, like any other workers, then look for easy fixes to their instructional dilemmas (see Robertson and Soucek, 1991). Because they just want to get things done, they don't have time to be creative or imaginative (Apple, 1988, ATA, 1993). And in some instances, as Apple (Ibid.) argues, they also misrecognize

> the process of [ideological and technical][113] control, the increasing technicization and intensification of the teaching act, the proletarianization of their work ... as a symbol of their increased professionalism (Apple, 1988: 107).

The new professionalism then carries also a very different type of accountability. The new accountability has now become accountability for making students employable. Thus it has become chiefly accountability to the labour market. The fact that whole areas of learning opportunities and personal development of students have been left out of this scenario, in the very sense that Fritzell (1987) describes in terms of critical and negative correspondence, is indicative of a very limited educational vision on the part of the new educational policy-makers and their corporate advisors. In this sense, too, the new professionalism promotes pedagogies concerned with generic, industrial skills formation, while denying students opportunities to become independent learners and socially and morally mature human beings. In fact, judging by some educational policy documents, personal growth and intellectual autonomy have become counterproductive to the new regime of accumulation (see ACR, 1991: 4) while, for others, it has become a luxury which no longer falls within the domain of publicly funded education (OECD, 1989). As we have suggested earlier, these developments have been chiefly made possible through intensification of teachers' labour. We can thus plausibly argue that *intensification of teachers' labour constitutes a necessary condition for pressing teachers to reconstruct their individual narratives and, therefore, represents one of the strategies employed to change what teachers do by changing the conditions of teaching practice.*

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[113]See Derber, 1982.

In the next chapter we will further identify the specific factors that contribute to the construction of teachers' narratives, especially with reference to the structural constraints on teaching practice. We will also discuss the role Initial Teacher Training (ITT) institutions and cultural myths play in this narrative. Finally, we will summarize those factors which appear to contribute to the production of post-Fordist educational outcomes.

13
FACTORS AFFECTING TEACHERS' PERCEPTION OF WHAT TEACHING IS ABOUT.

If we accept the proposition that becoming a teacher is a process coextensive with becoming a person, that is, that through the work of teaching (as with any other socially engaged professional career) teachers continue their process of self-actualization begun at birth, then we might quite plausibly ask questions about continuities and discontinuities in this respect that might occur in teachers' lives. The parallel between self-actualization and teaching is not, in fact, far from the mark at all. Noad (1979), for example, notes in his study of Australian teacher trainees that many saw teaching as a means of self-actualizing. Many also claimed that, should they feel they were no longer personally extended, they would leave teaching. Self-development, then, is important to at least some teachers.

Yet, as Nias (1986) observes, the *substantial self* (i.e., that which is to be self-actualized) is a rather delicate substance. The problem with teachers is the individual nature of their work and that they come to their first job realizing that control in a classrom is a crucial part of teaching while, often sensing their own inadequacy in achieving that control. From the very begining of their working careers they practically have to learn to survive (Woods, 1977, Lortie, 1975) or cope (Hargreaves, 1978) in the classroom through trial and error (Lortie, 1975) under conditions described by Lortie (1968) as a "sink or swim" situation. This encourages teachers to rely a great deal on their own individual resources in developing some sort of practical routine of classroom management (Denscombe, 1982, Lortie, 1975).

This need for self-reliance has two crucial consequences. As Hatton (1988) argues, one is the excessive reliance on pragmatic solutions which have generally no grounding in a more complex theoretical or reflexive understanding of the underlying problems associated with classroom management and pedagogical strategies. The other is that, from the very beginning, teachers learn to define what they do, their idiosyncratic ways of surviving or coping, in terms of their own personalities and values. The closer the identification between self and work, the greater their reluctance to expose their teaching practice to external influence or criticism since this would be perceived as not only affecting their role as teachers but also their identities as individuals (Nias, 1986: 25).

There clearly is a tension between (i) the substantial self of teachers, (ii) the tacitly understood assumptions about what teaching is (defined by Denscombe, 1982, as *hidden pedagogy*), and (iii) the institutional structures of educational systems and the specific working conditions under which teachers struggle to accommodate (i) and (ii). Denscombe (1982: 259) defines the hidden pedagogy as

> a set of aims and methods of teaching, which is tacitly understood by teachers, which stems from practical imperatives created by the organization of the classroom and which is basic to competence as a teacher.

These tacit or hidden assumptions then contribute to teachers' construction of their own competence as teachers, without being explicitly associated with pedagogical theory. However, Denscombe also agues that hidden pedagogy is context specific. It is related to classroom conditions, and if these change, so will the hidden pedagogy.

Now our argument in this chapter is that the current educational restructuring is intended to change the hidden pedagogy by changing the technical relations in the schools and working conditions in the classroom, and by situating public education in general and teachers' working conditions in particular within the framework of a free market. In turn, the combined effect of these changes should produce the desired effect of forcing teachers to reconstruct their narratives so that they aim at developing skills and attitudes among their students required by the post-Fordist labour market. In this sense, too, teachers' professional culture is also an important area where substantial changes are sought by the reformers. But let us first briefly examine the influences on the construction of teachers' substantial selves, and also the structure of classroom experience that underpins the hidden pedagogy under Fordist conditions. This should allow us to see more clearly the relationships between the new structures, the new hidden pedagogy, and the processes involved in the reconstruction of teachers' narratives.

13.1. Teachers' selves and the structure of classroom experience.

For our purpose it might be helpful to identify those formative periods in teachers' institutional life cycles which in some way contribute to their overall individual narratives. There is a general agreement that there are three such formative periods: own schooling experience as a pupil, the time spent as a trainee teacher, and the actual work as a teacher.

(1) Early experience as pupils: its impact on teachers' narratives and its relation to post-Fordist schooling.

The expectations that trainee teachers bring into their first employment as practicing teachers are at least partly based on what they have learned during the time when they themselves were pupils. Like everyone else, during their time as pupils trainee teachers have formed ideas about what teaching is and how it should be done, and to distinguish between good and bad teaching. Given that trainee teachers have thus been influenced by their role models, we might expect a certain continuity between these three stages in the lives of teachers. Yet research in this area shows clear discontinuities between trainee teachers' perceptions gained during compulsory schooling, as well as their experience as practicing teachers, on the one hand, and their experience at the college or university, on the other (Lortie, 1975, Hanson and Harrington, 1976, Denscombe, 1982, Hatton, 1988). There are two points we would like to make in this respect. These concern (i) a bias towards the practical, and a certain delusion on the part of the general public that they know what teaching is about, and (ii) periods of radical change.

(i) One consequence of such early role modelling for trainee teachers is that they form an unjustified bias towards practical skills. This is because in their experience as pupils they witness only the role models' practical performance in the classroom. The theoretical or thinking part of teaching is hidden from their gaze, so to speak. The reasoning and the understanding behind classroom management decisions and behind pedagogical judgments is not made public. The impression given to the public, then, is that of ready made strategies being applied to specific situations. This is precisely what Hatton (1988) describes as bricolage; that is, teachers are perceived as having a bagful of tricks or tools to be applied on the basis of finding the right fit between a particular tool and the situation. The other label we identified earlier was that of the pedagogy of poverty.

But this public perception of teaching has also ramifications for a broadly-based debate about education. This point has become quite clear especially today, when the general public and especially parents have been empowered (or so it appears) to assert their influence on schools' curricula and pedagogies. The push to introduce the Logos (back-to-basics) program in Alberta is a good example of this (see Thorne, 20 April, 1996). This, of course, has not always been so, and we will return to this matter in our third point. Closely related to this issue is also the current empowerment of the business sector with respect to

their privileged access to education-policy makers, or even being put in charge of redesigning educational systems, curricula and pedagogies, and re-articulating educational purposes (e.g., Picot, 1987, Mayer, 1992a,b, Finn, 1991). The current emphasis given to vocational education and practical skills formation in the educational debate is at least in part due to this uninformed understanding by the lay public and the business sector regarding what teaching and education are about. The same misconception also accounts for the apparent ease with which vocationalism and the back-to-basics agenda gained legitimacy in the eyes of the general public.

(ii) The continuity between teachers' institutional experience suffers a further rupture at times of a radical change. This thesis has been concerned with one such change--the transition from the Fordist/Keynesian regime of accumulation to the post-Fordist/neo-liberal one. We have argued that today educational policy aims at a structural and functional realignment of schools with the labour market and with the post-Fordist economy and society. This involves, among other things, redesigning the work of teaching itself. We are therefore suggesting that today there is also a rupture between trainee teachers' experience as pupils and the type of work they will be asked to do when they become practicing teachers. In other words, the cottage industry image (Ashenden, 1992) associated with the past was about a familiar set of relationships: one class, one classroom, one subject, one period, one teacher. The teachers had the knowledge and the students were there to absorb it. To achieve that purpose, teachers had to command control over their students. These are the memories trainee teachers bring into their training and teaching practice.

However, the new educational workplace is more like its post-Fordist industrial counterpart. Our description of post-Fordist education is broadly divided into two categories: post-Fordist education and the post-Fordist educational workplace. The section that follows will deal only with the former. Because of its significance and its relative long length, the discussion of the post-Fordist educational workplace will follow in a separate section. Let us now see how we might describe and understand this *modern vision* of schooling.

(2) Post-Fordist education: the vision.

Briefly, there are two points we wish to raise here. The first has to do with the issue of *socialization* and *streaming*. We have argued that post-Fordist schooling aims at reasserting the functional correspondence between the labour market and educational outcomes. According to Wadley (1990) it must also ensure that some students are socialized into failure. This need arises mainly because the post-Fordist labour market cannot provide employment for all (see our discussion of post-Fordist contradictions in the earlier part of this thesis). it is to be achieved through the decomprehensivization of education and the re-introduction of streaming. In this respect, the majority of students will receive basic education focused on the development of generic skills (see, for example, Collins, 1993, Kenway, 1994, OECD 1989). There will also be a provision for an education that extends beyond the basics. Selection for this advanced stream will occur through academic achievement and through educational markets. In either case the selection process is correlated with the function of reproducing post-Fordist social relations of production. The mechanisms for this selection can be identified as cultural capital (Bourdieu and Passeron, 1977, Ball, Bowe, Gewirtz, 1995) and the financial capacity of parents to pay (Lauder et al., 1995).

Bernstein's (1975) categories of classification and framing might be useful to help us differentiate between these two streams. Classification refers to differentiation and insulation of curricula contents (i.e., strong classification vs. integration), while framing refers to the context in which knowledge is transmitted (i.e., strong vs. weak framing). Our point is that basic education has been organized on the basis of integrated subjects. The Mayer Report (1992a,b), for example, organizes competencies on the basis of functions (e.g., interpersonal skills or language and communication), not subjects. Ashenden (1992) also advocates integrated codes. Bernstein (1975: 109) further argues that the evaluative

criteria of integrated codes with weak frames may promote lower cognitive standard of achievement. In practice this means that the majority of students could be taught basic practical skills relevant to everyday community knowledge, which, in the past, has been associated with less able students (Ibid.: 92). Increasingly, these basic integrated (i.e., generic) skills are co-related with the skills required by the expanding service sector. The important point made by Bernstein, however, is that the cognitive aspect of such training might be weak, but the framing becomes strong when it comes to imparting dispositional attributes (e.g., reliability, loyalty to employers and to capitalism, ability to take directions, and so on [see Reich, 1991, on the requirements of the service sector], also Hargreaves and Reynolds, 1989). For this reason, Bernstein argues, the (post-Fordist) classification and framing encourage more of the pupil to become public; more of his/her thoughts, feelings and values. In this way, more of the pupil is available for control. This increased control is asserted chiefly through profiling (cf., Ashenden, 1992, ATA, 1993) of students. In this way, also, the employers have a direct access to their future employees' private selves (see Robertson and Soucek, 1991).

The aspects of changed framing and post-Fordist socialization, then, certainly present begining teachers with concrete discontinuities between their memories and the new school reality.

Our second point refers to the process of re-articulating the role of education in structural and functional economic terms. As we have argued above, educational outcomes have been functionally realigned with the post-Fordist labour market, but schooling itself has also been structurally repositioned within the context of market relations. In this sense, schooling has been *economized* (see Apple, 1993, Kenway, 1994, Palmer, 1995). Our point here, however, is that even the language and the discourse about education have been *infected* with sounds and concepts taken directly out of the corporate speak one might expect to find in the corporate boardrooms of banking conglomerates rather than in schools. Thus Ashenden (1991: 21) describes the post-Fordist changes in education in terms of a re-orientation towards the "development of currencies", and educational achievement as "currency holdings" or "accumulated holdings". In this sense, too, he advocates an establishment of a free market administered by brokers, where individual accumulated holdings and *profiled* dispositional attributes might be traded.

As we can see, such a re-contextualization of educational function is likely to complicate somewhat the efforts of begining teachers to establish a sense of continuity in their individual narratives.

(3) Post-Fordist educational workplace: the reality

So far the changes introduced in the educational systems in the English speaking industrially developed countries affected teaching in three major areas: the teachers' educational task has been enlarged to include administrative responsibilities, but also increased counseling, and, in the numerous instances where schools experienced a shortfall in funding, it also meant a greater involvement in fund raising. The expectations are now that "teachers give all they can to the school."[114] To be sure, teachers have always been involved in tasks other than just standing in front of the students in a classroom. Throughout the 1980s and 1990s, however, these external demands have grown rather rapidly (Taskforce, 1990, ATA, 1993, Robertson and Soucek, 1991). These developments have had two other consequences: teachers have been systematically *re-skilled* in order to cope with:

> escalating pressures and constraints on teachers' work where teachers are being required to respond to a growing range of multiple and simultaneously mounted initiatives, but under conditions where little extra time or resources are allocated for coping with, still less reflecting on such initiatives (Hargreaves and Reynolds, 1989: 23).

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[114]Interview tapes recorded with Alberta teachers. See also ATA, 1993.

However, as Hargreaves and Reynolds (1989) argue, they have also been re-trained to adjust their expectations regarding the educational achievements of their students. On the one hand they expect lower cognitive standards (weaker framing) while, on the other, they expect a stronger development in behavioural and attitudinal disposition (stronger framing). The other consequence has been a greatly intensified labour process. We have already noted some aspects of this intensification. Among other things, it involves increased technicization of their work (see Apple, 1982). But it also involves enlargement of their teaching responsibilities, as in the case of *compulsory* promotion or marketization of their school (Robertson and Soucek, 1991), increased administrative responsibilities, and simply doing more with fewer resources, such as teaching more and larger classes while scrambling for educational resources at the same time (Taskforce, 1990, Robertson and Soucek , 1991). To help make sense of this new educational workplace we would draw a parallel between the new production concepts and the JIT and TQC industrial systems, on the one hand, and the post-Fordist teaching labour process on the other. This in itself is a large task, and we cannot do it a full justice here. Therefore our task will remain confined to developing conceptual categories in teachers' work which parallel those of the industrial workplace:

- Making teachers visible through measuring the performance of their students on standardized testing
- Team work and collegiality
- Informal and formal consultation to improve productivity, but within narrowly defined system parameters
- Fostering a sense of crisis (in conjunction with intensification of work) to increase productivity and to implement changes
- Polarizing the labour force
- Attacking unions--atomizing teachers' collective voice.

Teacher visibility, a sense of crisis, and quality control: The JIT and TQC systems are based, among other things, on making every worker visible and directly accountable for the final quality of the product. This might in principle make sense in an industrial setting where products are highly standardized so that their quality is easily discernible and easy to define. Educational achievement, on the other hand, is a more complex matter. Students have different personalities, different needs, and often different potentials for achievement. In this sense, acquisition of knowledge and specific cognitive skills must be viewed in developmental and context specific terms (Messick, 1984). Yet, according to some analysts (e.g., Taylor-Gooby, 1994, Ball, Bowe, Gewirtz, 1995, see also ATA, 1993), standardized tests are used as performance indicators to measure both the performance of the school as well as the performance of the teacher. This, of course, does not make any educational sense since not all educational achievements are readily transferable into quantifiable data. And, as we have already suggested, measured achievement should be interpreted in the context of relevant interpersonal and environmental factors. These criteria are not satisfied in the case of standardized testing. Our point, nevertheless, is that entire schools and individual teachers are made accountable for their students' achievements on these standardized tests (see, for example, Alberta Government, 1994: 25-28).

The similarity in principle between educational systems based on basics education as measured by standardized tests and the JIT and TQC lies in having individual schools' scores serving as indicators of the quality of the product. In this way schools and teachers are made visible and accountable, and the lower scoring schools and teachers are thus pressed to intensify their efforts to improve their scores. Similarly, in the JIT system

workers are accountable for specific assembly tasks and also for maintenance and quality control. If the next work station identifies a fault or runs out of supplies, the warning lights light up and the "guilty" station is immediately made visible. The whole production line then needs to pull together to rectify the defect in the production flow without, however, any additional workers or other resources. We have also seen that in the JIT system management deliberately increases the speed of the production line to find the *threshold of tolerance* of the workers and to increase the latter's anxiety out of a belief that, under such conditions, productivity rises. Similarly, Susan Robertson (1995a: 12) argues that the idea behind gradually increased workloads is to find a *riot threshold* to determine how much stress teachers can take without actually breaking down (see also Watkins, 1993). This anxiety in schools is real, as schools' resources are tied up with enrollments which may change as a consequence of lower test scores (Ball, 1990, Alder and Raab, 1988).

Team work, collegiality, and exploitative participation: Closely related to this issue is the concept of team work and team responsibility. Under the JIT system, workers are treated as individuals rather than as collective workers in the sense that contracts and rewards have been entirely individualized. At the same time, the question of promotion and special bonuses, for example, has been left entirely to managerial discretion and does not follow any established set of rules. This allows management to wield enormous power over workers precisely because a definite element of uncertainty is necessarily present in the perception of workers where one individual has discretionary power over the life-chances of another person. In the JIT system, this presence of uncertainty and a constant sense of crisis (as discussed above), along with individualized contractual politics, are designed to effectively neutralize the collective voice and to achieve the real subsumption (Marx, 1976) of labour under capital. Marx argued that inter-capitalist competition and class struggles eventually must lead to a perpetual "revolution... in the mode of production, in the productivity of workers and in the relations between workers and capitalists" (Ibid.: 1035). Here Marx might have well been describing the JIT production regime under the conditions of global intensification of capitalist competition. More specifically, as Campbell (1989) and Dohse, Jurgens, and Malsch (1985) point out, under the Japanese industrial relations system, which, in any rate, appears the most competitive but also exploitative, and, therefore, indicative of future trends, workers' knowledge and their entire lifeworlds have become subject to invasion by the private interests of capital.

Of course, there is nothing intrinsically wrong, unethical, or exploitative in the concept of teamwork or in the creative and constructive engagement of an entire organization in the pursuit of a common goal. This, indeed, has been the *utopian* (cf., the notion of ISS) orientation of the Kalmarian project in Sweden. But the problem with JIT and the new industrial concepts, as implemented under the conditions of increasing capitalist competition, is that they tend to harness social energies generated through the appeal to organic solidarity (cf., Durkheim, 1969). The costs of production are thus socialized while, at the same time, increasing the process of privatizing the wealth created (Habermas, 1979).

Under such conditions, workers have virtually no power-base to challenge management's unilaterally defined purposes and goals. However, in terms of the technical relations of production they are treated as teams in the sense of having a collective responsibility for the firm's productivity and profitability. This combination of the *political individualism* and *technical collectivism* tends to set workers in competition with one another. This is most noticeable during times of crises or localized production interruptions, as discussed above. What often happens is that workers might resent when someone else is either absent or has caused a break in the production flow since this invariably requires additional work effort on their own part. For this reason, Japanese workers are reluctant to use up their sick leave or even their holiday leave. Technical collectivism thus serves as a type of social control designed to maximize productivity and profits.

The aspects of individual estrangement of workers and the invasion of their lifeworlds by management further shows in the mandatory informal sessions, where workers are encouraged to place their formal and informal (or tacit and practical) knowledge of the production line at the disposal of the firm in order to improve productivity, even though this might result in further intensification of labour or even employee redundancies. This self-destructive engagement of workers is made possible precisely because of the environment of permanent crisis and uncertainty, and because workers careers are informally linked with these processes. In this sense, workers are rewarded or punished for the loyalties they show or fail to demonstrate. Here we can also begin to see the rationale behind the current emphasis in the official documents (e.g., OECD, 1989, see also Reich, 1991) on behavioural and attitudinal disposition and, importantly, on the flexibility and capacity to adjust to the changing conditions in the labour market and in what has now been designated as a permanent fixture in our global economy, the rapidly changing society. In this sense, attitudes and loyalties are made visible and readily accessible to exploitation by powerful private interests. And when we link this direct socialization principle with the indirect socialization in our schools (e.g., the use of personality profiles), and especially when the emphasis on the development of these private, cultural attributes is driven by the market, we cannot escape the understanding that our local schools are also being subsumed by the market interests. But let us now explore the implications of our observations in the context of schooling and teachers' work.

One way of considering a self-managing school (see Smyth, 1993) is to see it as a team or a *technical collectivity*. Here an entire school or a school community might be granted a technical responsibility for achieving specific educational outcomes. As we have seen, this is achieved through national curricula, standardized testing, and intensification of labour which limits teachers' curricular and instructional options. And it is in this sense that we need to understand the decentralization of schooling. This process of decentralization might go under different names in various countries: in New Zealand it took a form of contractual arrangements between the Ministry and Boards of Trustees (Codd and Gordon, 1991, Gordon, 1993); in Western Australia the emphasis has been on School Councils; in Alberta and many US states the concept of site-based management became the major driving force behind the restructuring of public education; and in the UK Grant-Maintained schools set the example for others to follow. What has unmistakably been a common denominator in this process of change, however, is the dramatic increase in the centralization of power over finances and curricula, and over structures of control and monitoring. This power has been typically vested in the Minister of Education. In Derbers' (1982) terms, schools and teachers have been ideologically disempowered, while given technical responsibility for achieving specific educational outcomes. To the extent that the JIT model of industrial organization does epitomize the post-Fordist labour process, we can see that schools have also began to be shaped along the lines of a post-Fordist industrial labour process. The provision of public education has been re-conceptualized as *inputs*, educational achievement as *outputs*, and the process as a *production function* . Furthermore, schools and teachers have become technically responsible for the "quality" of outcomes, as it is the perceived labour-market relevant *quality* that ultimately ensures the school's competitiveness in the educational market. In this sense the schools have become work teams, or Total Quality Circles.

Under these strict market conditions teachers are asked to develop collegial forms of site-based management, participation, and other forms of devolution. The notions of collegiality, participation, and educational autonomy have been hotly debated over the period of the last twenty or so years. In fact, Action Research associated with progressive education (Carr and Kemmis, 1986) has been very much concerned with these issues. So what is wrong with the post-Fordist model of collegiality? One problem is that educational purposes have been redefined in terms of economic goals. The current emphasis on teacher collaboration is a part of that strategy. Coupled with ideological disempowerment, mandatory teacher collegiality is then a part of a broader strategy of harnessing teachers

more effectively to the work of economic reconstruction (Smyth, 1991). Thus, paradoxically, as Hargreaves and Dawe (1989: 3) argue, teachers are "being urged to collaborate more, just at the moment when there is less for them to collaborate about."

In Western Australia, for example, several schools participated in the National Project on Quality of Teaching and Learning (NPQTL). There were two major concerns: how to motivate teachers to work as a team, and how to identify structural constraints to change. The former consisted in what can best be described as a motivational *pep talk.* At regular intervals, the Ministry would send their representatives to the participating schools. Their task was to exhort the virtues of team work. The latter encouraged schools to address the following question: "If, within the constraints of existing resources and teacher workloads, you were given a free hand to organize your school as you like, what changes would you make to improve the learning outcomes for students?" (Chadbourne, 1991). To make our point of similarity between the Western Australian project for managing change in schools and the practice of informal sessions in the JIT industrial system, we need to note three points. Firstly, the budgetary resources were not negotiable, and, secondly, neither were the educational outcomes. These conditions suggest to us evident similarity in the way Japanese JIT industrial workers and Western Australian teachers were positioned vis-a-vis the management. Finally, the Western Australian project did not succeed primarily because many changes that were proposed contradicted the interests of the Ministry. What was also interesting and, perhaps, ironical in this context was that the emphasis on a collaborative or participative mode of change has, to some extent, backfired. Given the chance to participate, teachers in fact took this opportunity to register their opposition to the structural changes contained in the *Better Schools Report* (1987). In this sense, Chadbourne (1991) argues, the project has become a vehicle for the confirmation of teachers' conservatism (cf. Wolcott, 1977).

Polarization of labour force and unionism: We have noted that the post-Fordist division of labour increased yet further the divisions and polarization between the core and peripheral workers. As in the JIT industrial system, in schools such polarization occurs in two ways--polarization between teachers and management, and among teachers themselves. Thus during the process of restructuring in Western Australia, teachers distinctly perceived the change in the Ministry's attitude towards schools and teachers as a shift from the role of facilitator to that of manager and controller (Taskforce, 1991, Robertson and Soucek, 1991). Western Australian teachers specifically noted the growing gap between their own concerns with students' educational achievement and the Ministry's concerns with managing the process of change, which they defined in terms of impersonality and stratified monopolization of decision making (Taskforce, 1991, Robertson and Soucek, 1991). Ball (1993: 115, see also Ball, 1992) describes such a managerial technocratic mode as "no longer managing education, but managing an educational institution." (See also Angus, 1987.) The research conducted by the Alberta Teachers Association (ATA, 1993) records a similar polarization between teachers and the Ministry of Education.

What the studies in Western Australia, Alberta, and the UK (see also Ozga, 1993) indicate in particular is a kind of breakdown in communication between teachers' professional bodies and the Ministries of Education. As the Western Australian research shows, this was a consequence of a total loss of trust by teachers in the Ministry. In fact, it is well known in Western Australian educational circles that, in the late 1980s, some "schools would not allow the Ministry personnel anywhere near their school." [115] One of the architects of the educational restructuring there, Dr. Angus, admits quite frankly that the problem was that teachers misunderstood the intentions of the devolution of power to schools. They thought that it meant for them a permission to do what they might have

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[115]Taped interviews with teachers (Robertson and Soucek, 1991).

thought to be right. When they discovered that this was not the case, they criticized *Better Schools* (1987) as "fraudulent and designed to limit the authority of schools: (Angus, 1990: 12).

But at a deeper level this loss of trust also indicated fundamental divisions in terms of educational goals, purposes, and philosophies. Most teachers, still embedded in the traditional educational paradigm, became aware of deep contradictions already becoming manifest in post-Fordist education. They saw the modularized curriculum re-enforcing streaming, and special programs introduced (i.e, from across the catchment boundaries) to attract external and in many ways privileged students causing internal frictions and social divisions among students. At the same time, the growing rate of unemployment, especially for high school graduates, has had the effect of discouraging students from making at least decent effort at studying. At the same time, teachers were caught in a double bind of trying to resolve these contradictions and finding their efforts frustrated by a constant flow of change in the Western Australian Ministry of Education's directives and regulations, and by ever-decreasing resources. Just as in the case of Japanese JIT workers, their sense was that of permanent crisis, resulting in extreme physical stress, and a and rapidly eroding morale and commitment to their professional duties (cf., ATA, 1993, EPT, 1996). Consequently, most teachers in the study (Robertson and Soucek, 1991) had come to a conclude that the Ministry (now increasingly staffed by graduates from non-educational areas) was concerned solely with the bottom line. This rift in their respective outlooks on education was perhaps best expressed in the teachers "re-naming" the policy document, *Betters Schools,* as "Cheaper Schools".

The other aspect of post-Fordism that has become manifest in educational systems is the internal and external labour market segmentation and the resulting polarization between various tiers of the teacher workforce. In general, the increased segmentation of the teachers' labour market followed from the changes in the structure of provision, especially with respect to the development of educational markets (Ball, 1990, 1993, Ball et al., 1995). Specifically, as Ozga (1993) argues, it was the combination of financial deregulation and tight public sector funding which allowed and forced individual schools to seek solutions to their funding crisis by increasing their pool of relatively cheap and young workers while reducing the number of established but more costly teachers. Hence the emergence of both a core and a peripheral (i.e., flexible) labour force. In the UK and in Australia this has resulted in the schools' increased dependence on auxiliary and ancillary staff. In Australia, the most outspoken advocates of the teachers' labour market flexibility have been Ashenden (1990, 1992, 1994) and Dimmock (1991). At the center of these proposals is the idea of creating a cadre of highly trained advanced career teachers who might be assisted by less qualified personnel or casual staff. There is some slight emphasis on professional development of Advanced Skills Teachers (AST), but, as we have already argued, such professionalism is defined in terms of technical skills and has little provision for a development of competence in the areas of broader philosophical or sociological understanding of schooling functions. Indeed, Chadbourne and Ingvarson (1991) found that in Australia (ACT, Victoria, and NSW) teachers saw no relationship between AST and professional development. The little professional development available tended to emphasize the management culture currently in vogue, rather than a development of professional skills required for improving learning opportunities for students. This trend was also reinforced by the fact that standards for professional practice were by and large determined by employers whose frame of mind was already set in the management culture rather than in the teaching-learning dimension relevant to teachers.

In this respect, the emphasis in education policy on the management culture has also radical implications for Initial Teacher Training programs in at least two areas. One has to do with the creation of alternative routes for entering the teaching profession, the other with the growing emphasis in the debate on teacher training in the UK and Australia on practical, behavioural skills and the corresponding de-emphasis on educational theory (Ebbeck, 1990, Lawn, 1991, Smith, 1992, Seddon, 1992/3, Whitty, 1994). The former is

represented in the UK by the new categories of *licensed* and *articled* teachers. Both schemes represent a shorter (2 years) training period to be spent mostly in schools, and both have rather low entrance requirements. In this instance, it is more than likely that such alternative routes for entering the teaching profession will contribute to further stratification of the teachers' labour market. The increasing emphasis in ITT programs on practical and management skills, in our view, represents a deliberate strategy of minimizing teachers' capacity to reflect critically on their teaching practice, and to concentrate, instead, on instructional subjects and classroom management. Terry Seddon puts it quite bluntly:

> The preferred professional is to be skilled in psychology and teaching studies, but, it seems, with no study of the social and historical context and limited opportunity for free inquiry or contact with other educational workers (Seddon, 1991: 11).

The point, then, is that teacher training programs themselves are being designed to train teachers in a way that would make them less resistant to the post-Fordist reality of a stratified but flexible labour market.

The interesting point, nevertheless, is that, unlike the Japanese industrial workers or the industrial workers in many UK and USA industrial enterprises organized on the principles of neo-Taylorist flexibility, teachers in all English speaking industrially developed countries are unionized, and thus have a collective voice. Certainly the Western Australian Teachers Union strongly resisted the implementation of structural reforms in that state (see Robertson 1993), and so did teachers in the UK (Ozga, 1993). Yet the reforms have been implemented while, at the same time, the concerns raised about their potential detrimental impact on the provision of schooling have mostly been borne out. In this respect, we can identify two strategies which were to deal with the potential teacher militancy. One is a direct attempt at de-unionizing the teaching profession and the other consists in shifting responsibility for the system's operations to schools themselves.

Firstly, the Progressive Conservative government in Alberta, for example, did attempt to deal with this issue by introducing Bill 210 which was designed to split the union into a professional body and a labour-issues body. This was clearly a move to de-politicize the issue of educational restructuring in Alberta. After a great deal of criticism by the Alberta Teachers Association, the Bill was withdrawn. However, the government still proceeds with its attempts at de-unionizing Alberta schooling by prohibiting union membership in those schools which opt for a charter school status (Alberta Education, 1995: 14). At the same time, moves are under way to accredit Teacher Training Colleges, which have no research component in their programs, with the right to issue Teaching Certificates. As in the UK, this move clearly will have further ramifications for stratification of teachers' labour market in Alberta.

Secondly, the major strategy for dealing with militant teacher unions is to push the responsibility and stress of negotiating wages and working conditions down to the level of schools (Watkins, 1993). That is, when schools and teachers are the ones who are made responsible for implementing educational cuts, union militancy is virtually rendered useless. In this sense, the combined strategy of fiscal austerity and devolution of the responsibility for making decisions about which part of education provision is to be cut to local school managers and teachers serves to deflect the anger and frustrations away from the policy-makers themselves. At the same time, as Watkins (Ibid.) further argues, the atomization or localization of the decisions about spending cuts and staffing results not only in the decentralization of the system itself[116] but also in the disintegration of the unions.

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[116]It needs to be noted, however, that such decentralization does not mean that the Central Office has lost its power. On the contrary, as the research in this area shows, all that has been devolved is the right to implement educational cuts (see, for example, Smyth, 1993).

13.2. Summary & Conclusion.

We started this section by arguing that there are three major formative periods in teachers' lives: as a pupil, as a trainee teacher, and as a practicing teacher. We have also been interested to find out to what extent these respective stages might delineate a sense of continuity in the way teachers define and construct their narratives. The relative emphasise or lack thereof might indicate which experiences in teachers' careers contribute most radically to how teachers construct and understand their own role in the process of social and cultural reproduction through schooling.

Denscombe (1982) argues that there is "discontinuity" between teacher training programs and teachers' work. These sentiments are echoed by many other commentators (Hatton, 1988, Lortie, 1986). Britzman (1991) even suggests that there is an open conflict between what the schools need and what the universities deliver. Her research indicates that school administrators indeed value most the teaching practicum aspect of teacher-training programs: they like the focus on acquiring the "tricks of the trade", the emphasis on teaching as a self-made profession, and they value the practical over the theoretical. In this view, universities are seen as frustrating the "deep essentialism" of schools' practical concerns.

As an aside to our discussion, we might note this deep fracture between universities and the schools sector also tends to lend its support to the New Right attack on university-based teaching courses. In the UK context, Whitty (1994) characterizes the stance taken by some conservative educationalists (Lawlor, 1990, O'Hear, 1988, Hillgate Group, 1987, 1988) in terms of radical and antagonistic opposition to any ideas at the level of theory. They are quoted as claiming that "teacher training is harmful," and that "teacher training courses actually diminish the effectiveness of teachers" (Whitty, 1994: 6). This deep fracture between universities and the schools is, in fact, seen by some university professors as useful and necessary, as such "dissonance [might constitute] a source of transformation" in the sense of emancipatory goals developed by teachers (Britzman, 1991: 212).

There is clearly much evidence to suggest discontinuity in teachers' experience during their time at universities and as educational workers. Yet Denscombe also claims that there is a deep sense of continuity in teachers' narratives between their experience as pupils and practicing teachers, and that, in this respect, the years spent at university represent a brief interruption in that "deep continuity" (Ibid.: 261). Given the current developments in educational policy and the rapid changes our society is undergoing at present, the question we have asked earlier is whether there is the continuity which Denscombe (1982) seems to emphasize. Our analysis, however, has identified important discontinuities in the way the management of schools has been reorganized, and in the way teachers are physically able to attend to the needs of their students. In other words, schools are rapidly becoming a different place from what they were when today's trainee teachers experienced most of their compulsory schooling. In the words of one Alberta teacher: "Being a teacher today is hard work,... 24 hours a day. To those kids who are thinking of becoming teachers, and who are just looking for a job, I'd say to think twice,... unless, of course, they are prepared to work real hard."[117]

Our other concern was with the changing character of teachers' work. Here we have identified several areas of change which also happen to correspond to the changes in the industrial workplace. The importance of our findings rests not in the fact that there is a significant structural and functional correspondence between the post-Fordist schooling processes and outcomes and the post-Fordist labour market, but rather in what such findings indicate about the complex relationships between the privileged capitalist class and

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[117]Interview tapes with Alberta teachers.

the new post-Fordist social structures, on the one hand, and special effects of power attached to these structures which are ostensibly designed to effect the post-Fordist reproduction of social relations, on the other.

Our argument overall has been that these structural arrangements have undergone rapid change over the last two decades, and that these changes were a result of a concerted effort by international capital and their global agencies to enhance the structural power of capital over workers. In this respect, the resurrected organizing principles of economic liberalism such as monetarism and its emphasis on fiscal responsibility and cuts in public spending, deregulation of financial flows and trade, introduction of corporate managerialism and market relations into the provision of public services, and the ideology of privatization and globalization of profits while the costs are being socialized at a national level all bear witness to the structural empowerment of the already privileged global capitalist class.

In this scenario, schools also play their part, albeit not as important as under the *expansive* regime of Fordism. In post-Fordist schooling the emphasis has shifted from the issues of human capital development and legitimation toward a preoccupation with market-controlled skill-formation and social control. The factor of legitimation has been made redundant principally because democratic structures have been directly subordinated to the discipline of fiscal austerity of market relations, and no longer are able to provide a venue and source for alternative ideas or strategies precisely because the special effects of power have been entirely relocated in the marketplace. This is not to argue that social tension and class conflict have disappeared. On the contrary, the growing economic, social, and political inequality will keep causing fundamental problems for the new world order. And in this regard, the most important role schools will play will be that of social control. In the words of one DES official:

> ...we are in a period of considerable social change, There may be social unrest, but we can cope with the Toxteth's. But if we have a highly educated and idle population we may possibly anticipate more serious social conflict. People must be educated once more to know their place (quoted in Ranson, 1984: 241).

In this time of radical change teachers have been caught in a discreet and insular space described by Wright (1978) as a contradictory class location. As members of a "new middle class," they occupy this intermediate position because they take their characteristics from both sides--from the bourgeoisie as well as from the proletariat. As *supervisors* they now oversee the post-Fordist process of social reproduction taking, at the same time, their share of the prerogatives and rewards made available through the extraction of the surplus value. In this sense they approximate the role of managers and supervisors (Ibid., see also Harris, 1982). On the other hand, they have been also affected by the consequences these shifts have had on their working conditions in the same way that other collective workers have been; that is, the pressure for structural and functional realignment of their work with the requirements of the post-Fordist economy and the need for new forms of social control have effectively advanced their ideological and technical proletarianization (Derber, 1982). And here lurks the danger for the post-Fordist educational settlement--as Derber (Ibid.: 189) argues, rapid technical proletarianization could well undermine the fragile ideological accommodation between teachers and the post-Fordist regime and produce explosive dissent.

The "reformers", therefore, will need to tread carefully. From their point of view the polarization and differentiation of the teaching workforce into core and peripheral segments might help atomize and neutralize any potential explosive resistance by teachers as united collective workers. In this sense, the restructuring of teachers' labour market has become functional to the survival of post-Fordist schooling. The core teachers will be re-skilled and empowered. They will assume responsibility for induction of new teachers, associate teachers, and other educational workers, appraisal and professional development, student

assessment, reporting and monitoring, learning centers (e.g. library, learning technologies, distance education), student learning programmes, community relations, and curriculum development. They would be assisted by peripheral educational workers responsible for routine instruction and supervision of students, routine administrative tasks, and so on (see Ashenden, 1990, 1991, 1992, 1994, Watkins, 1993). The post-Fordist school, then, might become a divisive if not directly antagonistic place where every worker could end up with a completely distinct and individual employment contract (in many instances this has already become a reality [Ball, 1990, Ozga, 1993]). This strategy may defuse the potential for teachers' resistance. But how precisely will the post-Fordist school be able to achieve the differential outcomes relevant to the labour market and to the issue of social control?

We have already noted that educational markets tend to select students with respect to their future role in the economy, but that, at the same time, this selection tends to be determined by financial abilities of individual students to pay for educational packages over and above a basic or minimum provision of education. Educational market are eminently suitable to fulfill this differentiating function. Secondly, the promotional procedures in post-Fordist education tend to promote interests of those teachers concerned primarily with advancing their own careers rather than with the educational issues themselves. This, of course, is not always the case. Yet there is a real possibility that the core educational workers might be primarily selected on the basis of their concerns with instrumental purposes of education. To the extent that the core educational workers will be largely responsible for defining the local flavour of a nationally (and globally) determined curriculum and how it might be taught in their schools, the post-Fordist focus on instrumental educational outcomes might penetrate into all classrooms.

However, the most reliable mechanism for *smuggling* ideological purposes into the classroom is what we have earlier defined as *hidden pedagogy*. Restructuring the chain of command, shifting the onus for quality control to the school level, or rewriting school curriculum, all can encourage the penetration of post-Fordist ideology into the classroom. But in themselves these structural features cannot force teachers to shape their students in accordance with the labour market requirements, especially should such a purpose contradict their professional understanding of what is pedagogically best for their students. This, of course, does not mean that teachers are not interested in helping their students become employable.[118] But it does mean that most teachers understand education to include also concerns with individual development, and this particularly in connection with social and moral development, and promotion of critical and autonomous thinking skills. And this, perhaps, pinpoints the specific area of conflict between progressive education and post-Fordist education; namely, that the latter seeks to leave out of the provision of education the whole areas of traditional educational concerns. Post-Fordist "educators" think exclusively in terms of vocational training and social control.

Given that most teachers find the *economizing* aspect of the current educational "reforms" quite objectionable (ATA, 193, Taskforce, 1991, Robertson and Soucek, 1991), how is this post-Fordist *hegemonic influence* achieved in practice, especially as the teachers are clearly aware that many decisions about staffing, material resources, or curricular priorities are basically political decisions and as such could be addressed through teachers' political activity? It might be helpful to note in this context that in the 1920s the British state opted for granting British teachers "restricted professional autonomy" (Lawn and Ozga, 1986, Grace, 1985) precisely in order to counteract the growing political activism of these teachers. This was a strategy of "indirect" or "invisible" rule whereby British teachers practically traded their ideological autonomy in exchange for technical autonomy.

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[118]In this respect, Robertson and Soucek (1991) show that teachers, in fact, tend to "agonize" over the lack of job opportunities that exist for their students in the post-Fordist labour market. However, their despair is not due to the fact that their students might lack work-relevant skills or attitudes, but rather to the fact that there are no jobs for their students.

We have seen that Derber (1982) has made a similar point about the relationship between technical autonomy and teachers' willingness to comply with the ideological purposes pursued by the capitalist state. At the same time, what is also intrinsic to this dynamic is the presumed teacher conservatism (Hatton, 1988, Lortie, 1982), which, as Denscombe (1982) claims, has traditionally pushed teachers towards learning to cope with existing circumstances rather than challenging them through political means. Walcott (1977: 195-201), for example, notes a variety of strategies teachers employ to cope with change. These might range from compliance to resistance, including "going-along, wait-and-see, dropping out, or heel dragging". Is it, then, the case that teachers are fundamentally conservative and that the ideology of professionalism tends to re-enforce such conservatism?

In our analysis we have seen that the current spate of "reforms" tends to decrease teachers' professional autonomy even in the last remaining area of technical professionalism, as the invisible or indirect rule over teachers has now become quite visible and direct. The conditions which in the past ensured teachers' compliance with externally defined educational purposes no longer exist. It would thus not be entirely unexpected to see in a near future evidence of heightened political activism by teachers. Such desire for political action would stem from teachers' collective experience in the workplace, as they become aware of the contradictions between their cherished notion of professionalism built around cultural myths which emphasize the pivotal role of teachers as mentors, their expertise, and self-reliance, on the one hand, and between the physical impossibility of becoming such a professional under the working conditions which seem to force them in the opposite direction.

In other words, teachers' narratives have yet to accommodate the growing centrality of fiscal constraints which now evidently clash with the way they learned to define their professional responsibilities. The hidden pedagogy has changed. The security of strong classification, which in the past provided a buffer between the teacher and the educational system, has been replaced with weaker classification (or integrated codes) which, along with stronger framing, have made more of the teacher (and the student) visible to the watchful eye of the authority (Bernstein, 1975; cf., Foucault's [1987] notion of panopticon). What is particularly worrying is that this need for *watchfulness* as it is perceived by the post-Fordist guardiens is in itself indicative of a deeper malaise immanent in our capitalist society, as the path of growing social polarization they tread so gingerly is bringing our global communities ever so close to the edge of a cataclysmic abyss. As Bernstein (1975: 111) puts it, this shift indicates that there is a

> crisis in society's structures of power and principles of control. The movement from this point of view represents an attempt to de-classify and so alter power structures and principles of control.

Our point is that this shift described by Bernstein will very likely contribute to the rupture in the continuity of teachers' narratives. And this on top of the already noted discontinuities between working conditions, past experience as a pupil, and the time spent at the university. We would suggest, in fact, that the changes in the conditions underpinning the hidden pedagogy might encourage teachers to abandon their conservatism. In this respect, we would like to note three other important aspects which might affect teachers' political attitude and strategies and, therefore, their collectively constructed narratives.

Firstly, the concern with professional issues, such as learning environment, pedagogical strategies, students' intellectual well-being, and student's individual development, when compromised by structural constraints and management practices, *might encourage teachers 'resistance*. In Western Australia in 1989 such an attack on public education prompted teachers into taking strike action (Robertson and Soucek, 1991). In the UK, teachers similarly attempted to resist policies aimed at privatizing, marketizing, and the

selective differentiation of educational provision. They did this even though, as Ozga (1993, see also Bridges and McLaughlin, 1994) points out, teachers' unions were in no real position to challenge those policies (especially as they underestimated the limits to such challenge when it was primarily mounted from within the system) and when this confrontation was with politicians who were "ideologically driven and prepared to do the unthinkable" (Ozga, 1993: 1).

The second important but constraining factor has been the *shift in the general population's ideological thinking about education.* Throughout the 1980s there has been a general shift in national politics to the right. Thus Pusey (1991), for example, describes Australian social and economic policy as being driven by a bi-partisan effort to please international capital. And this shift in the major parties' political orientation appears to have been complemented by a shift in the public's perception about economic and social (including educational) policies. In this respect teachers in all English-speaking countries are faced with constituencies leaning decidedly to the right. Teachers therefore need to be careful not to allow their political action to provoke a backlash of public resentment of what could be easily construed as the pursuit of self-interest. Yet, in Alberta, for example, cuts in public education have already had a *dismal* impact on the quality of public education (ATA, 1993, EPT, 1996, see also Goyette, 28 April, 1996), and it would seem that the attack on public education in Alberta has reached the point where public opinion might grant teachers a *licence* to take some form of action in order to protect public education against further erosion of its quality. Alberta teachers are certainly well aware of the delicate balance between public opinion and the form of political action it might allow them to take (Soucek and Pannu, 1996). For this reason their political action is confined basically to educating and informing the public as well as the teachers themselves and it targets those in the constituency who have access to the policy-makers and who can thus affect the will of the Progressive Conservative Caucus. In this respect, perhaps, Alberta teachers' political strategy even epitomizes the type of political action available to teachers under the conditions of the New Right's domination of the public debate about education.

Finally, teachers' welfare is also an important factor that might affect teachers' political will to take a more radical political action. Here the issues of work intensification, task enlargement and a general worsening of working conditions, including cuts in real wages, but also the security of their pension funds reach well beyond the threshold of teachers' tolerance and their noted conservatism. It is, however, the combined effect of the general fate of public education, the attack on teachers' welfare, and a perceived readiness of the public to tolerate some form of action which could create conditions for teachers to take a more radical stand.

14
CONCLUSION

Our purpose in this thesis was to journey through the currently changing economy and society and make connections between multiple and dynamic social phenomena, which, interact in complex but often unpredictable ways that crystallize in temporary settlements or some form of truce between social actors who compete for limited material resources. Historically, this journey has taken us from the collapse of economic liberalism of the 1920s, followed by the Great Depression with its monumental and tragic consequences for both the economic and social systems, a recovery of these systems through an increased role of the state in the mediation between individual self-interest and community interest, through to the resurgence, once again, of the ideology of economic liberalism. It would seem that history does have a tendency to repeat itself.

Our main focus has been on the period of transition from the Fordist/Keynesian regime of accumulation and governance to what we have tentatively described (concurring with numerous other commentators) as a post-Fordist/post-Keynesian regime. In our discussion we have tried to steer away from single-cause explanations of these changes. In this respect we have identified three categories of social space where concrete contestation of social and economic policies and even radical changes such as the present one take place: economic, political, and administrative.

Firstly, we have argued that the capitalist system of production and distribution is ridden with insurmountable contradictions of class antagonism, inter-capitalist competition, and revolutionizing technologies of production. These contradictions cannot be resolved without a strong mediating role played by the state. We have argued that an economically successful regime needs not only to mediate the conflict between self-interested players but, inescapably, needs to articulate its mediating role against a broader landscape of community interests. We have suggested that the Fordist/Keynesian regime came quite close to realizing this potential, which can be expressed in terms of a producer economy. In this sense, the Keynesian economic policies succeeded, for a time, in regulating capitalist competition by maintaining a sufficient aggregate demand for mass-manufactured goods. The aggregate demand was also ably supported by a redistributive function of the social wage. Crucially, this balance between production and distribution was secured at the level of the nation state. However, two factors brought the Keynesian settlement to an end: the distributional arrangements were far from perfect; and the globalizing tendency --expressed and facilitated through a complex interplay between neo-liberal politics of deregulation, money capital surpluses, developments in international finance, production technologies, and trade--has made the Keynesian settlement unsustainable. Gradually, the nation-state has become less relevant to the complex interlinking between various sectors of global capital.

Secondly, the diminished role of the nation-state and the increasing domination of the world economic system by transnational capital imposed real limits on what national political processes could achieve, especially when acting in isolation. At the same time, the global capitalist class mounted a well organized campaign to further disempower the state political processes. The ideology of deregulation aimed at shifting the political focus from concerns with community interests to individual self-interest. The spurious and clearly mistaken assumption here was that individual social players, unhindered by the visible

hand of the state, might be best qualified to make decisions about their life-chances on the basis of self-interest. As a consequence, political power over social and economic policies was transferred from a collective representation of individual interests directly to the owners of capital. In this respect, the post-Keynesian politics have become a playing field of the rich.

Finally, we have argued that the administrative space articulates systemic structures which underpin political struggles and economic relations. Administrative structures are, nevertheless, both limiting and empowering. The debate about a transition to post-Keynesian administrative structures was very much a battle about imposing limits on any potential contestation (through the state) of the right of private capital to set terms for the employment of capital. Furthermore, what has become clear is that, at least for the time being, the limiting and empowering aspects of the post-Keynesian social structures of accumulation were separated. The limiting function was retained within the administrative scope of operations of a nation-state, whereas the enabling function was shifted to the global level of policy formation. Because the global space is today controlled by the power of capital in every aspect of social relations of production--in terms of investment decisions, control over the flows especially of financial capital, but also in terms of economic and social policies formation through agencies of the World Bank, IMF, OECD, and other neo-liberal agencies which today appear to have a privileged access to policy-makers at a national level--it is the global capital that has so far enjoyed the privilege of empowerment.

The importance of our observations rests in the argument that whereas under post-WW2 Keynesianism the social spaces which defined economic, administrative, and political feasibility of specific production and distribution policies were largely delimited by national boundaries, and thus more or less tended to produce regionally unique social, economic, and political settlements, with the emergence of global post-Keynesianism national boundaries have become extremely porous and permeable. As a consequence, the locus of economic and social policy formation has shifted to a global level which, we have argued, has so far been dominated by the self-interest of global capital. We have further argued that, in this respect, the deep contradictions which troubled the Fordist/Keynesian settlement not only have not been dealt with, but are likely to become far more pernicious in their impact on our collective social well-being.

We have argued that the powerful international capital has succeeded in asserting its domination over nationally delimited struggles in the area of social and economic policy determination. The effect of this domination has been a markedly uniform restructuring of social relations of production in the USA, the UK, Australia, Canada, and New Zealand. Neo-liberal ideologues have succeeded in redefining the concept of the *social* almost exclusively in terms of individual self-interest. This ideology has served to re-articulate the role of the state as a promoter of private self-interest. And because the function of market relations is the only mechanism left in the wake of a "hollowed out" post-Keynesian state, it is the market which increasingly determines the residual distributive function of the state, the technical relations in production, and the allocation of investment funds within the global productive and speculative markets.

These developments have had real consequences for workers. We have seen that the industrial workplace has been reorganized on terms set almost exclusively by investment capital and management. For workers this has meant a reduction in wages and benefits while, at the same time, their security of employment has disappeared and they had to work much harder for their shrinking incomes. The labour market itself has also undergone dramatic changes, with gaps separating various tiers of the job categories growing faster, while good jobs have become increasingly scarce at the same time. At the same time, these changes resulted in further polarization and segmentation of the labour market with respect to gender, ethnic minorities, and race.

In the area of public service provision, user fees have effectively excluded many from being able to use those services. In many instances, income security payments have been

cut without notice. In all, the post-Fordist/post-Keynesian world, celebrated by global capitalists and their intellectual functionaries, has become a very despotic place.

This said, our purpose in writing this thesis, nevertheless, was not to promote gloom and despair. As an interaction between ideas about human nature, social and economic organization, and ultimately about a search for meanings inscribed in the social phenomena we have observed, the changes that have swept through our industrially developed communities since the ascendancy of economic liberalism in the 1920s bear also witness to a deep and inescapable tension inscribed in our struggles for self-actualization.

At one level, it is a tension between the social and the individual. Clearly, a complex society cannot function as a purely social community in the sense of Durkheim's (1969) mechanical solidarity; but neither can it function as a purely individualistic society in the sense that is argued by ideologues such as Hayek (1978) or Friedman (1982). In his analysis of organic solidarity, Durkheim emphasized the need for social cohesion engendered by social structures which would promote a sense of ethical responsibility. Yet in his insistence on customary morality (Yeatman, 1994a), Durkheim is essentially a conservative thinker. His sociology provides little space for social and moral progress. In our struggles to define our common social future we need, therefore, to go beyond customary conservatism to extend the scope of Keynesian democratic structures in order to encourage the development of what Yeatman (1994b) calls *universalistic ethics*. This is doubly important for our communities functioning today in a global and rapidly changing world. Such universalistic ethics must acknowledge the plurality of differences, but also what is common to us all. In this sense, the tension between the social and the individual must assume a high degree of explicitness and dialogic accountability. But such explicitness and accountability in our social and economic policies cannot be realized when the process of policy formation has been virtually taken out of the sphere of the state and privatized. The pernicious consequences of such privatized ethics have been in part captured in this thesis. As Waters (1994: 234) argues, if the state disappears then so do citizenship and welfare rights and so too does liberal democracy. Our point is that the emergent post-Fordist/post-Keynesian regime needs to be seen as a temporary reaction to *growing pains* that our civilization needs to experience in order to resolve a more fundamental conflict between "being" and "having" (Fromm, 1976).

For this reason, we have positioned the political, economic, and administrative struggles within a broader context of humanist philosophy, albeit underscored by the Freudian conflict between Eros and Thanatos (or between creation and destruction). Indeed, our analysis of the neo-liberal ideological agenda and its impact on the social lives of the many unmistakably indicates the savagery and destructiveness of that ideology. Thus, on the one side of the continuum between individualistic and communitarian possibilities is a limited perception of our social potentialities characterized by the conservative customary values of despotic markets or market economy, authoritarianism in governance, neo-Taylorist flexibility in the workplace, and practical or technical-instrumental science in the area of knowledge. On the other, progressive side of that continuum, is a *vision of universalistic ethics, producer economy, democracy, Kalmarism, and emancipatory concerns complementing those of technical and practical sciences.*

We argue that our present social and economic malaise is an expression of our collective struggles for self-identity, for a vision, and for feasible strategies of organizing the system of production and distribution. But these struggles for our collective identity are not helped by the present swaying of the societal pendulum to the despotic alternative. The problem is precisely that a progressive vision can be realized only when the *cultural identities* of those who comprise the society are brought into a symmetrical interplay, albeit under a watchful eye of a *conscience collective*. This must be borne in mind, as nothing in this world is predestined--whether the Kalmarian style of governance (or something akin to its ideal) will eventually become a social practice will depend on our efforts, not on destiny. For this reason, our struggles must, perhaps, primarily, involve those areas where cultural

identities are formed. Included here are not only mass media, arts, and entertainment, but also schools.

This then has been a broader argument within which we have positioned our analysis of the post-Fordist changes in education. We have argued that the production rules of education policy making in the era of post-Fordism have been blatantly slanted to favour those human agents who promote the principles of market education, authoritarianism in curricular and management matters, basic vocational education for most students, and technical-instrumental emphasis in teacher education. In the above sense, we have argued that post-Fordist educational policy aims decisively and in no uncertain terms to ensure that educational achievement of students corresponds as closely as possible with the requirements of post-Fordist economy. We have acknowledged that our education has always been vocational. However, whereas under Fordism schooling comprised also negative and critical correspondence--that is, the combination of strong classification, weak framing, and licenced autonomy of teachers allowed a teaching/learning space to address issues not directly relevant to the reproduction of capitalist relations of production, or even an occasional critique of those relations--under post-Fordism almost all teaching/learning time appears to be reserved for inculcating in students skills and attitudes relevant exclusively to the post-Fordist labour market.

We have then asked a question about the specific mechanisms employed to achieve these results. We have identified four distinct aspects of educational provision which pushed schooling practice towards delivering the post-Fordist educational outcomes. First was the restructuring of the system. This included an alteration of funding arrangements, centralization of education policy-making, elimination of a potentially refractive middle administrative tier, and devolution to schools of the responsibilities chiefly for making hard decisions about which educational programs were to be cut. At the same time, quasi-markets in education were introduced to ensure a necessary differentiation among schools in order to cater to the post-Fordist, highly polarized labour market and to legitimate the growing inequity of educational opportunities. Secondly, introduction of a common (albeit differentiated at different levels of achievement) curriculum and standardized testing was to guarantee that the principle of positive correspondence with the labour market was adhered to. Thirdly, growing unemployment and the intensification of competition for jobs have been used to harness parents' fears about their children's life-chances. Parental concerns were brought into play to exert pressure on schools to concentrate on teaching vocational skills. Finally, the working conditions of teachers have changed. Their work has been greatly intensified. At the same time, new and constantly changing regulatory requirements (especially in relation to new administrative responsibilities associated with schools' self-management) have made it difficult for teachers to even keep up with a constant flow of organizational changes.

The other theme which has emerged in our analysis is the conflict between practical imperatives created by the organization of the classroom and the emancipatory mission of faculties of education. Again, we can detect here a tension between practical constraints on what teachers can do--as these practicalities (material resources, teacher-pupil ratios, duties other than teaching, and so on) tend to constrain the range of alternatives they have--on the one hand, and the sense of emancipatory purposes and the pursuit of educational excellence, on the other. Earlier in our discussion we identified a similar tension having to do with the perennial conflict between orientation towards ideal speech situation and authoritarian self-interest, a conflict which tends to crystallize into its historically specific social forms such as economic liberalism of the 1920s, Keynesianism, or the currently ascendant neo-liberalism.

We have argued that these practical constraints in many instances constitute a hidden pedagogy. By this we understood a specific set of circumstances which force teachers to engage in pedagogical practices that contradict their own professional beliefs and standards. Significantly, as with other industrial workplaces, this controlling colonization of teachers' cultural selves is effected through material conditions which are typically beyond their

control. And we have shown how teachers' sense of what it is to be a "good teacher", often based on cultural myths which might in fact inhibit good teaching, works hand-in-hand with the hegemonizing influence of these material constraints. At the same time, we have argued that the current fiscal policies, together with managerial and structural "reforms," tend to exploit this phenomenon of a hidden pedagogy in order to promote specific post-Fordist educational outcomes.

In concluding our journey through the uprooted social and cultural landscape of neo-liberal pragmatism, we ought to ask questions about the implications of our observations not only for teachers and educators, but for our communities at large. For our schools not only perform the vital, socializing function of reproducing the social, cultural, political, and economic practices, but they also help create conditions for effecting changes in these practices. Within the context of our discussion, we can see that such changes can be progressive but they also can be regressive, as current developments in the provision of public education seem to indicate. What then can teachers and educators do to ensure that our communities do not slip back into more despotic modes of educational provision and social governance?

First of all, teachers need to resist the market pressure with its tendency to atomize and individualize their profession. There is a real need for them to work towards constructing a *collective narrative*. This narrative must be based on professional standards which derive not from economic exigencies of underfunded schools, but from a vision that recognizes future progressive possibilities. Their narrative needs to be critical of those phenomena pernicious to educational purposes, but their critique needs to articulate the links between, for example, the intrusion of the commodity form into pedagogic practice and its consequences for students. It needs to highlight these consequences where they are shown to have a regressive impact on teaching and learning, and it needs to suggest viable alternatives. As Giroux (1988) and Fritzell (1987) argue, their collective narrative needs to be written in the language of what is possible.

Secondly, teachers must collectively address the issue of their *cultural myths*. They need to interrogate their claims that autonomy is defined in terms of classroom privacy, that good teaching consists primarily in controlling the classroom, that teaching is a science of the concrete, that teachers are self-made, that teaching is an individual struggle, that teachers are experts while students are mere "vessels to be filled", and that teacher professionalism entails increased technicization and intensification of their labour.

Thirdly, teachers must become *politically active*. Not in the sense of promoting a particular ideology, but in the sense of promoting the virtues of public education, and this within the context of a progressive, emancipatory vision of society. It may be a utopian vision, yet a vision that would articulate the links between curricula, pedagogies, material conditions, and managerial structures on the one hand, and the ideals of democratic citizenship as well as moral and social values which need to be fostered to sustain a viable and culturally vibrant society, on the other.

Fourthly, teachers must also *learn from past mistakes*. The present onslaught on public education in countries or provinces such as the UK, New Zealand, Western Australia, or Alberta are cases in point. In this respect, teachers need to realize that ideologically driven politicians can and are willing to do the "unthinkable". Teachers' professional organizations must learn that the current enemy of public education, economic liberalism, is blind to the consequences of its self-interested agenda for the society at large. They must build this understanding into their own strategic action. Yet, as evidence from many countries shows, local political action is often thwarted by the collective action of global capital which holds the fiscal strings right across the globe. For this reason teachers must build coalitions with other teachers and other professional and even blue-collar workers across provincial and national borders if they are to confront global capital on its own global territory.

Finally, there are more specific areas that teachers need to address in order to preserve public education. These include: the role of schools as an agent of progressive

change, re-defining progressive change in terms of historical struggles, promotion of intellectual autonomy and universalistic ethics, promotion of authentic rather than solely formal education, and the development of a sense of trust in a communitarian rather than an economic elite's intelligence. We elaborate each of these below.

(1) Schools can potentially contribute to progressive social change. This is not to dispute the research findings which indicate that schools in capitalist societies tend to reproduce the social or cultural relations of production (see Althusser, 1972: Bernstein, 1975; Bourdieu and Passeron, 1977; Bowles and Gintis, 1976; Giroux, 1981). The function of social reproduction is a social phenomenon, and as such it can be altered. At the same time, we also concur with Giroux (1981) that the social action of *resistance* implies only a limited political understanding of the concrete social relations of production. The inadequacy of the resistance strategy is best illustrated in Paul Willis' study, *Learning to Labour* (1977), which shows that resistance can in fact contribute quite effectively to a cancellation of emancipatory alternatives by trapping the resistors at the bottom of social hierarchy.

Instead, educators might be able to contribute to emancipatory social change by critically *unpacking* the whole package that comes with the sort of reforms advocated by the present economic modernizers. If we are to show that the current educational "reform" is regressive, and that this regression is largely due to the introduction of a commodity form into schooling, critical educators need to demonstrate that contrary to the official claims educational markets cannot produce well educated, socially and morally mature, and intelligent graduates.

(2) Re-defining educational change in terms of historical struggles. Both teachers and students need to learn that *officially preferred* educational outcomes are always historically specific social constructs. As such they represent a temporary settlement between our social urge to follow a utopian, emancipatory path, and the self-interest of private capital which thrives under the conditions of market despotism. Educational purposes or outcomes are, therefore, historically, socially, and culturally determined, and have always only a provisional status. But to help teachers understand this, teacher-training institutions need to develop instructional programs which would enable teachers to relate these theoretical insights to their teaching practice. This is, perhaps, the most challenging task educators face today, as the faculties of education are confronted with similar structural changes and fiscal restraint experienced earlier by the schools.

(3) Intellectual autonomy and universalistic ethics. From the above it follows that the ideal of educational excellence or educational outcomes are not static concepts. Given that our society is in a constant state of change, what becomes crucial is how to sustain the social cohesion necessary for the well-being of all. Durkheim (1965) believed that social morality can be sustained through the influence of the professional classes. Yet, even though he understood that social and cultural changes tend to follow the changes in the organization of production, Durkheim did not provide an explanation of how it was possible that the professional classes remained in tune with these emergent changes in the social relations of production. If teachers as professionals are to have some influence on this process of change and on sustaining social cohesion, they need to develop certain competencies, skills, and understandings which would enable them to de-construct and re-construct the total societal picture of which educational change is a significant part. And they need to be able to do this in an autonomous fashion. They need to develop intellectual autonomy (Habermas, 1979), or as Giroux (1988) argues, they need to function as intellectuals.

However, it would be a mistake to follow Durkheim and vest the guardianship of social and moral norms and values in the hands of a select group of professionals who might easily relapse into a form of Weberian rational action motivated by self-interest (Weber, 1947). For this reason, intellectual autonomy must be accompanied by a *radical pluralist discourse* (Giroux, 1988) or universalistic ethics (Yeatman, 1994b) which would empower not only the professional classes but also students and indeed all citizen to

construct autonomously their own narratives, their own explanations of the changes in their schools and other places of work, but also in the style of governance, policy orientation, and so on.

(4) Authentic vs. Formal Education. John and Osborn (1992) make an important point--that the theory of democratic citizenship and its practice are both equally significant if the democratic ideal is to be *embodied* in the deeper structure of students' social understanding (cf., Fay, 1987: 213). To *know* an ethical norm is not sufficient; the norm must be physically experienced and practiced. In this sense, it is useless to offer courses on democratic citizenship within school structures which are essentially undemocratic. Teacher educators must take this into account, especially with reference to the *hidden undemocratic curriculum,* and perhaps incorporate into their practice a more *democratic hidden curriculum.*

Our second point relates to the contrast between *formal* and *performative* (or authentic) education. Formal pedagogy is located firmly in the functionalist paradigm. It takes knowledge as given and unproblematic. Schools simply transmit such knowledge. The point made by Bernstein (1975) that our education systems intentionally (and wrongly) lead students to believe that knowledge is objectively given, and that it is only at a graduate level that the student might suddenly realize that *all* knowledge is, in fact, socially constructed, illustrates what is wrong with functionalism and with education located in that paradigm. For schools to be able to cross the limits of functionalism, teacher-training institutions need to encourage beginning teachers to integrate their teaching styles with the instructional content. Such pedagogy would respect the *authenticity* of the students' voices (Bonnett, 1991). The students and teachers would thus become partners in the construction of their common narrative.

(5) Education as a focus of community's intelligence. Finally, we would like to argue that our schools could become a focus of a communitarian effort to engage and cultivate what we might call a *local intelligence*. Given the dichotomy between the system and the lifeworld, and given the present tendency for the system to colonize the lifeworld, it is this local intelligence that could be empowered to counter-act and penetrate the economic system in order to humanize it, or to make it more people-friendly, so to speak. What we are proposing is that educational researchers need to go into the community and in a practical way help school administrators and teachers make sense of the rapid changes taking place in today's society. This does not mean telling them what the "correct" interpretation might be. Rather, it means making available to them language and empirical data which might empower the teachers and their managers to construct their own *informed* understanding of the neo-liberal educational "reform". As Giroux (1988) argues, it means theorizing *with* teachers rather than theorizing *for* them.

As teachers and educators we thus have real choices to make. These choices might cause the pendulum of social change to swing in either direction--towards market despotism or towards the utopian Kalmarian vision. Our point is that, unless we do engage ourselves in concrete political struggles, the pendulum will freely swing where it will hurt most.

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